

RALUT REPORTER

RETIRED ACADEMICS AND LIBRARIANS OF THE UNIVERSITY OF TORONTO

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President's Letter: RALUT's First Ten Months

by Peter H. Russell, President

It's hard to believe that nearly ten months have gone by since about a hundred of us met in the Medical Science Auditorium and founded RALUT, but they have. As we approach the completion of our first year, now is perhaps a good time to take stock of what we have accomplished to date.

Pensions

It was pressing concerns about pensions that first brought us together, and no doubt remain the primary concern of our membership. I wish I could report that we have persuaded the University to distribute the large surplus we built up in the pension plan, but I can't. However, we have effectively opposed some developments that are against pensioners' interests and have had a little success in beginning to move University pension policy in a more favourable direction. Here is a check list:

- We established a clear policy position on how the University should deal with the pension surplus and what the priorities should be in improving pensions
- Last April, we made sure that we would be able to assess whatever deal UTFA and University negotiators made on pension issues, before it was ratified. (It

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turned out that negotiations broke off without a settlement.) We also induced UTFA to undertake a constitutional restructuring which, among other things, would strengthen the position of retirees within UTFA.

- We obtained a legal opinion from the firm of Miller, Thompson, setting out the legal right of retirees to be adequately represented on UTFA Council and consulted in decision-making on pensions.
- We issued a public letter countering the outgoing University Vice-President's public letter that the pension situation at U of T was just fine. Our letter called on the University to terminate its policy of financing academic development and infrastructure with funds normally budgeted for pensions and urged it to become a responsible employer contributing continuously to employee pensions.
- In response to UTFA and RALUT pressure, the University

announced it would make a lump-sum payment to pensioners based on raising the benefit rate on the lower portion of salary (i.e., up to the CPP limit) from 1.0% to 1.3%. This payment (estimated to cost between \$2.5 and \$3 million) was promised for December of this year to those who retired before June 30, 1996. Though this is a one-time only payment, Vice-President Finlayson told pensioners he hoped it "will become a permanent increase in your pension." UTFA and RALUT accepted it, while making it clear that it would not do as a full solution to pension deficiencies.

- We strongly supported a group of our retired women colleagues who initiated a court action seeking access to the University's pro-

Membership Renewal

Renewal notices for 2002 fees will be sent out on a staggered basis, coinciding with the month in which members paid their 2001 fees. For example, if you first joined us in March 2001, your renewal notice will be sent out on the 1st of March 2002.

gram for ensuring employment equity. Though Justice Arthur Gans ruled that the case cannot be dealt with as a "class action", he urged the University to apply equity on a case-by-case basis. RALUT has urged President Birgeneau to follow the judge's advice and avoid any further litigation.

- When the Government of Ontario issued proposals for legislation to make it easier for employers to gain access to pension surplus funds, RALUT responded with a submission urging that retirees have the same right of consent as active employees in accessing pension surpluses, and that employees be empowered to initiate distributions of surplus pension funds.

- With George Luste, an associate member of RALUT, as UTFA VP for Salaries, Benefits & Pensions and Peter Russell on UTFA's negotiating team, retiree need for fair treatment and good communication seem better secured in the upcoming UTFA negotiations with the University.

- In response to RALUT's repeated requests for an open university discussion of the pension situation at the U of T, the first two University of Toronto Pension Forums took place on November 30 and December 7 at the Medical Sciences Auditorium. See p.5.

Organization and Communications

Much of your Executive Committee's efforts in these first ten months has been devoted to organizing our association, building its membership and establishing effective communication links with our members. Our main accomplishments in this department are

the following:

- RALUT now has a paid up membership of 587 and a positive bank account.
- We have secured from the University a home-base for communications on campus.
- A quarterly newsletter, the **RALUT REPORTER**, has been established. You are now receiving its fourth issue.
- We have a web-site describing RALUT and presenting information about its activities and developments of interest.
- An up-to-date computerized database of RALUT's membership has been developed.
- A telephone committee of volunteers to get members out to meetings has been established.

Other Matters

Important as fighting for a fair deal on pensions is, there can be – and should be – much more to a university retirees association. Up to now we simply have not had much time or energy to begin to develop a broader program. But below are a few "other matters" that are now underway:

- Soon after her appointment, we met with the new Vice-President/Human Resources, Professor Angela Hildyard, to discuss a wide range of possible ways of enabling retirees to continue their association with the University. Hildyard has now established a small planning group to explore how retirees' links with the university can be strengthened. A member of RALUT's Executive Committee, Harvey Kerpneck, has been invited to join this planning group.

- Our web-master and Executive

member, Ken Rea, and volunteer member David Lawee have begun to offer instruction on Saturday mornings to RALUT members who want an introduction to the computer and the internet.

- A Benefits Committee chaired by John Hastings is beginning to look into benefits issues of particular concern to pensioners. In addition to medical benefits, the committee will be examining retirees' access to various University services and facilities. See p.7.

- RALUT has agreed to host a one-day meeting of the Canadian Association of Emeriti and Retired Academics (CAERA) at Congress 2002 (formerly the Learned Societies) on May 31 next year. John Dirks is chairing the committee organizing this event and representatives of Ryerson and York University retirees are participating as well. The May 31st meeting should be a good opportunity to learn about university retiree activities across the country.

So there you are! Not bad for 10 months – though there is still a lot to do. I cannot stress too much how all that we have done – and might do in the future – is only possible with your continued support. I thank you for that support, and hope we can continue to count on it.

Where are we going? – an Editorial

by Charles Meadow, Editor

Elsewhere in this issue you will read about what RALUT has accomplished in this, our first year. You'll also read about some of the

issues we face for the coming year, one of the most important of which is restructuring UTFA and retirees' role in it. Negotiations are about to begin between UTFA and UT on this year's salary, benefits and pension arrangements. Details are never public until after a settlement or acknowledged failure to obtain one, as happened last year.

We have done much to create an organization that is gaining in recognition on the campus. (President's Letter, p. 1) George Luste, a member of RALUT's Executive Committee, was elected Vice-President of UTFA and we have every hope that he will bring in a good agreement, with pension improvements. We've had hints to this effect from the Administration. (See Pension Forums, p.5) At last year's UTFA AGM there was an agreement to appoint a committee to propose changes to the Constitution in response to our feeling of being under represented on UTFA Council. See p. 4.

So, where do we really stand? What should we be doing next? These are your editor's personal views.

- *On the pension surplus distribution.* Emphasis of late has been on using the surplus to improve pensions and, equally important, to get the University to stop its one-sided pension holidays, requiring faculty to continue to pay in but not the University. Yes, faculty have had some partial pension holidays, but nothing like what the University has taken. I think it important to get active faculty members to realize, what surprisingly few seem to realize, that the retirees' quest for distribution of the surplus in some form does not mean we want it for ourselves only. We have never advocated

anything other than that the surplus belongs to those who created it and that includes a large number of *still-active* faculty and librarians.

- *On pension improvements.* The "bonus" we were promised in December (and which we may not get til January) could possibly be made permanent, which would amount to about a 30% increase *in that part of our pensions based on salary below the Canada Pension maximum*, about \$38,000. Most unhappily, President Birgeneau stated on TVO that we were all getting a 30% increase, making it sound like every check from now on would be 30% higher, permanently. This is *not* the case. It's a one-time thing.

- *On health benefits.* John Hastings has written (p.7) about RALUT's new benefits committee. Major improvements are going to be hard to come by. The cost of medical care keeps going up and, of course, for us the need for care keeps increasing. UTFA does fight for more every year and the University, just as adamantly, fights back.

- *On the University's attitude toward retirees.* Here, we may be seeing some real improvement. Relations with retirees vary considerably from faculty to faculty. For those of us who still teach, write, or do research, adequate pay and such amenities as availability of office space and computer and laboratory facilities are important. And, given the current shortage of professors, we constitute an expensive source of highly qualified part-time staff.

- *On relations with UTFA.* One of the founding principles of RALUT was our intent to work with UTFA while maintaining our special

interest in and unique outlook on retiree welfare. UTFA, by virtue of the Memorandum of Agreement between it and the University, is our bargaining agent in matters of benefits and pensions. Article II of the UTFA Constitution states

The purpose of the Association is to promote the welfare of the current and retired faculty, librarians, and research associates of the University of Toronto, the University of St. Michael's College, the University of Trinity College, and Victoria University, and generally to advance the interests of teachers, researchers and librarians in Canadian universities.

Of late, maybe even not quite of late, there have been some disturbing movements away from this principle. Currently, a few members of UTFA's Council are attempting to amend the Constitution to exclude retirees from real membership. We would be denied membership, hence the right to vote for president (done by all members) and possibly vice-presidents (done by Council). Startlingly, this move is led by an elected Council member from the retiree constituency. The leaders of this movement tend to feel that we could not possibly have the broader interests of the faculty and librarians at heart, only pensions and benefits for ourselves. I do not know how many people hold these views, but they are loud and insistent. It all began over a year ago when, at Council we were referred to as "not real members" because we do not pay enough in dues. They tend to forget that most of us had been paying dues to UTFA for many more years than most active members. This is extremely seri-

ous. If their motion goes forward as a Constitutional amendment, we must be out in force at the next UTFA AGM to vote against it.

At various legal hearings related to the women's lawsuit, it has been pointed out that the pay equity settlement of 1991 was made with UTFA's approval, although UTFA was not asked to participate in planning. This settlement resulted in increased salary for various female faculty members and librarians. The agreement did not address the question of rectification of inequity for those who retired before 1991. In the same court hearings, the University's lawyers referred to the U of T as a "meritocracy." I've never understood how they could have believed that and still paid many faculty and librarians for past inequities. Again, UTFA did not contest this settlement that left out already retired professors and librarians whose salaries had also been inequitable.

UTFA needs our help to remain focused on, or perhaps to gain focus on, what is right for *all* its members.

UTFA Restructuring

by George Milbrandt, Member Executive Committee

At its April 23rd Annual General Meeting a committee was established to review UTFA's Constitution and By-Laws. One reason for the review was to strengthen the relationship between retirees and UTFA. The committee consists of four active members (including UTFA's President), four retired members (three from RALUT: President Peter Russell, Harvey

Kerpneck, and myself), and UTFA's General Counsel.

Available to the committee are documents from two groups that examined constituency representation last year. As well, the faculty association constitutions of McMaster, Western, Windsor, and York were examined to assist the committee in better defining the relationship of retired members to UTFA.

To the extent possible, consensus building while dealing with specific issues and concerns is the basic method used to resolve conflicts within the committee. Through a strong united front in dealing with the university administration, the interests of both active and retired members are better served.

After six full committee meetings, the following is an outline of several proposed changes to UTFA's Council, and the Salary, Benefits and Pensions Committee:

- Council representation for the retired faculty and librarians constituency be increased from two to four members;
- The Salary, Benefits and Pensions Committee to include the President of RALUT as an *ex-officio* member;
- Another place to be reserved on the Salary, Benefits and Pensions Committee for a member of the retired faculty and librarians constituency; and
- The Negotiating Team to report to the Salary, Benefits and Pensions Committee all tentative agreements made between the Association and the Administration for advice and recommendation to Council.

As well, consideration is being given to raising the fee for retirees to reflect better the cost of mailing newsletters and other information to retired members and librarians. The recommendation is for a fee of \$50 per year versus the present \$50 fee for three years. There is committee consensus on all of the above items.

Unfortunately, on one issue the committee has not been able to reach a consensus. As a result, two separate proposals will likely go forward to UTFA's Council and AGM. At present, Plan A recommends retired faculty and librarians *retain full membership* in UTFA while Plan B recommends retired faculty and librarians *Become associate members of UTFA*. Associate members would still have access to grievance procedures but would *not have a vote at general meetings or for the president*.

Aside from the previously mentioned items, starting at our January meetings, there are several other matters that the committee has agreed to consider separately. These include: the number of members that constitute a quorum for the UTFA AGM and general meetings;

- Reapportionment of Council constituency representation;
- The total number of members on Council (presently at 64);
- Limit for members on standing committees; and
- Adding statement(s) to the Constitution and/or By-Laws that retired faculty and librarians shall receive "equitable treatment in pension and benefit matters" in any negotiated agreement with the Administration.

UTFA's AGM is scheduled for Monday, 15 April 2002, from 2 to 4 pm in the Medical Science Auditorium.

The REPORTER visits Ursula Franklin



by Charles Meadow, Editor

Professor Ursula Franklin is one of our most distinguished faculty members, past or present. She is a member of the Order of Canada, Order of Ontario, the Royal Society, and a University Professor who has some thirty honorary degrees. She retired from the U of T in 1987 but has never stopped working and we all share in her reflected recognition because what reflects on the U of T reflects on us all – the good and the bad.

She is one of the four emeritae who tried to bring a class action suit against the University because, having retired prior to the 1991 pay equity settlement, they received no benefit, no recognition that they, too, had been underpaid and that their pensions were based on salaries now acknowledged to have been lower than those of

comparable males. Indeed, Prof. Franklin said her salary was below the average for full professors in her faculty.

The women, Ursula Franklin, Phyllis Grosskurth, Blanche van Ginkel and Cicely Watson had tried to convince the University to recognize their situation and make some amends. As it turns out, there were some 100 women retired before 1991. How much would it have cost to rectify their pensions? They asked the new President Birgeneau, the former Vice-President Finlayson, and UTFA Vice-President Gerson. Birgeneau's final words at the end of a meeting with Franklin and Finlayson were, "The pension train has left the station." Prof. Franklin later wrote to the President suggesting a

mechanism of inquiry, in the manner in which President Connell had done in the case of divestment [of U of T investments in South Africa during apartheid]. A Report on the Status of the Issue would not have to take long and could be done by one person.

Some other comments. At the class action hearings, the University claimed the U of T was a "meritocracy," that people were paid according to their value or contribution. The plaintiffs asked for particulars, some proof why they did not merit higher salaries. The request was never answered.

The court battle has not worked out well, thus far. An otherwise sympathetic judge ruled that the women retirees did not constitute a class in terms of the act for certification of a class action suit. They were advised to pursue the issue on their own, individually.

Ursula Franklin is a gentle, car-

ing person. Her caring is intense and it is not limited to the dollar amount of pension funds she believes are due her and others. She cares for those in serious straits for lack of income, after long and honorable service, and for the University, of which she says

In my view, it is the University that needs help. What do you do about an institution that can be so disrespectful of its history and its mandate to teach by example.

What, indeed, can be said about a university that turns its back on such a person?

A biography of Prof. Franklin can be found at <http://www.nlc-bnc.ca/2/12/h12-404e.html>

Pension Forums: a Solid Case for Retirees

by Peter Russell, President and Germaine Warkentin, Vice-President

The recent Friday Pension Forums at the Medical Sciences Auditorium marked a welcome first stage of co-operation on the pension problem by the U. of T. Administration, UTFA, and RALUT (where the idea originated). About 150 people (a mixed group of retirees and actives) turned out to the first, on November 30, and about 100 (mostly retirees) to the second on December 7. And they spoke out!

From the platform the main speakers were Alan Shapira of Hewitt Associates, the firm that manages the U of T Pension Plan, and George Luste, UTFA's Vice-President for Salary Pensions and Benefits. Human Resources Vice-President Angela Hildyard spoke briefly and answered many tough

questions, and UTFA President Rhonda Love also spoke about UTFA's concerns. Also present were Vivek Goel, the new Vice-Provost, and David Short, actuary for UTFA.

But it was the speakers from the audience who really pressed the Administration for an answer to pensioners' needs. In fact, at times it seemed as if two different meetings were being held! On the platform the speakers were examining from every angle the case for a new and better pension plan, and who can blame them? But those who raised their voices from the audience were speaking out on behalf of those already on annuity, giving chapter and verse about existing terrible inequities—and asking for prompt action, funded from the impressive pension fund surplus they had a substantial part in piling up.

For example, Mrs. Eleanor Moorhouse was present. She's 86 years old, and her husband, a senior professor of Geology, died in 1969 after thirty years of service. Mrs. Moorhouse receives a pension of \$210.00 per month from the U of T, and she is not a solitary example. The Administration is rightly looking for ways to better the current pension plan, yet from the audience the message kept coming: "What are you going to do about *existing* inequities, which are a blot on this great university's reputation?"

Imaginative solutions are clearly going to be needed! We are optimistic that solutions can be found. The Pension Forums demonstrated four things:

1) How effective UTFA and RALUT can be when they work

together on pension issues.

2) That the most compelling pension issue at the U of T is the inadequacy of pensions for those who spent most or all of their academic careers at U of T but had the great misfortune to retire before improvements began to be made in the pensions and benefits available under our plan.

3) That the means to rectify that problem significantly are at hand in the form of a still significant surplus. None of the University officials who participated attempted to defend the failure of the University in the past to improve pensions for the neediest pensioners, nor questioned the merits of now using the surplus now for this purpose. [Nor did they offer any promise whatever to do so.]

4) And as to the future, the merits of moving to a defined contribution plan seemed stronger than the rather paternalistic arguments for sticking to a defined benefit plan.

It is essential that the dramatic opportunities for dialogue and co-operation opened up by the Pension Forums remain open, and we in RALUT intend to do our best to make sure that happens!

Pension Committee Report

by Harvey Kerpneck, Pension Committee Chair

RALUT's Pension Committee has been busier than ever these past months—but in a new guise. Harvey Kerpneck, the Chair, George Millbrandt, Charles Meadow, Marv Gold, Kelly Gotlieb, etc.—with the regular and

valuable assistance of RALUT'S Secretary, John Gittins—in effect collapsed the Committee into our George Luste's UTFA Salary, Benefits and Pension Committee and for a large number of meetings of that Committee, helped George L formulate and develop his negotiating position - which he will shortly be using in the new negotiations with the Administration.

The members of our Committee deserve every thanks from us all. By contrast, there were not many "active" members of UTFA present at these meetings. Although they were solicited anxiously and often by George L to turn out and help him develop his negotiating posture, they did not deign to show up at these meetings, but we did so and worked vigorously and long to develop the planks in his platform.

It is to me (the Chair of our Pension Committee), and partly because I am also a member of the Constitutional Review Committee—forced into existence by our motion at last year's UTFA AGM—utterly ironic that one of the representatives of the Retired Constituency of UTFA should so consistently malign retirees and assert that we are interested in only one thing—pensions - and yet we turned up and worked so very hard in the interests of all—notably, in the interests of the as yet unretired members of UTFA—whereas the active members evinced their usual lack of interest in the hard work of committees—especially of this vitally important Committee- and stayed away in droves. If George L achieves anything in these forthcoming negotiations, all those

who benefit will owe—but will they give?—a huge vote of thanks to the selflessness of the hard-working members of RALUT's Pension Committee. And they certainly have my thanks.

Otherwise, there have been important things happening also outside formal Pension Committee meetings. George Luste, Peter and I met in a long and interesting meeting with Mr. O'Toole, MPP, at the Parliament Buildings to attempt to convey to him why the Progressive Conservative Government's intention of introducing new legislation to permit employers to dip into Pension Fund Surpluses was not in the least acceptable to us.

And I have been appointed by the Administration to be a member—thus far, the only Faculty or Librarian representative—of a new Planning Group, chaired by the new University Vice President, Angela Hildyard, which will be looking into all the many ways (some of which I long since outlined to President Birgenau both at meals we had together and in correspondence) in which the U of T can in future prevent that Iron Curtain clanging down which so alienates retirees when they hear it bong on the day of their retirement. Angela seems vitally interested in making the University a more retiree-friendly place, and I have genuine hope that her goodwill and obvious sagacity will translate themselves into fairly instant advantages for retirees. I would be very grateful for your input, of course; as much and as soon as you can provide it. (I am also an *ex-officio* member of John Hasting's new Benefits Committee, as you will also be told else-

where in The Reporter, and the viaduct for ideas that the Committee deems important to be sent through to Angela; so anything you want to send to John will wind up on the table as well, when the new Planning Group has its next meetings.)

In the new year, I will be sending you questionnaires very like those many of you filled out when I solicited you two years ago to join UTFA's Retired Constituency, in order to increase its power within UTFA.

I will be asking you very particular questions about your circumstances—naturally with great reluctance because none of us likes to have his or her condition inquired into. But, in order to make the best possible case on your behalf to the administration, I must have whatever information you are willing to provide about the way you live now.

A happy, happy New Year to all.

Benefits Committee Report

by John Hastings, Benefits Committee Chair

The Benefits Committee has been established with the following initial terms of reference:

1. To review and monitor the medical and non-medical benefits universally available to retirees and survivors and to promote maintenance of "best practices" in both.
2. To Identify "best practices" in the faculties and departments with respect to non-medical benefits for retirees and to seek to have them instituted in all faculties and departments

3. To identify and evaluate "best practices" in medical and non-medical benefits in other universities and consider their applicability to retirees at the University of Toronto.

4. To work with the University in examining the meaning of and practices with respect to retirement and how to foster a mutually beneficial continuing relationship between the University and its retirees.

The names of the members of the Benefits Committee and their e-mail addresses are:

Ralph Garber,

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John Hastings,

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Harvey Kerpneck,

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Peter Russell, Phruss@aol.com

Gene Vayda,

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Although no descriptive brochures for medical benefits, as provided by Green Shield, are currently available from Human Resources, a detailed description is provided on their website.

We strongly recommend that all retirees and survivors read the detailed information. If you do not have access to the net, you may wish to get a copy downloaded by a friend who has access. The address is

<http://www.utoronto.ca/hrhome/gssummar.htm>

Retirees and survivors are reminded that a Planning Group on Retirees has been established by Vice-Provost, Angela Hildyard, with the broad aim of exploring how the University and retirees of

every category may be mutually beneficial to one another. Harvey Kerpneck is a member of the Planning Group. Through him, we have asked the Planning Group to carry out a survey of all faculties and departments to find out and summarize current practices with respect to non-medical benefits available to their retirees. We have also asked the Planning Group to consider conducting a comparable survey of the practices in other selected North American universities. Finally we have asked the Planning Group to recommend establishment of a dedicated telephone line at Human Resources for inquiries by retirees and survivors.

The Benefits Committee welcomes any suggestions and comments that you may wish to draw to our attention. We also would also like to have a few more members for the Committee. If you are interested in volunteering, please let one of us know.

RALUT's New Phoning Committee



by Germaine Warkentin,
Vice President

If you receive a phone call from another RALUT member this winter or spring reminding you of an important RALUT or UTFA meeting, don't be surprised. Thanks to the leadership of Beate Lowenberg (Dentistry, Emeritus) RALUT now has a new phoning committee. About twenty-five members (at last count, but still growing) are going to help contact members who don't receive e-mail, to remind them of upcoming important events.

Members on e-mail will receive electronic messages about meetings, and can check the web site, where new information is always being added. But we've been concerned about means of contacting quickly those who still receive their notices, and the **Reporter**, by post. Our group of twenty-five will meet in early January to get to know each other and to receive their lists of names to phone (at the moment, about 15 each).

Additional helpers are warmly welcome, as the more phoners we have, the shorter those lists will be. We also have to have extras in reserve to cover the lists of members who are away, especially in the winter. Phone blitzes will probably take place only a couple of times a year, but we need to be ready for them. If you would like to help, please contact Beate Lowenberg <bfs1@hotmail.com>. Or of course, you could phone her.

416 787-6935

We are interested in your opinions, news, commentary. Send copy to the editor or contact him if you want to talk about contributions.

Publication Notice

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