

# MUFA Newsletter

October/November 2012— Volume 39.2 — Catherine Connelly, Editor

## Possible Changes to University Pension in Ontario

Major changes are very likely coming to university pensions in Ontario and we need to start planning for that now. This was the basic take-home point of a very well organized and informative day-long workshop on university pensions in Ontario sponsored by OCUFA on October 26, 2012. We heard presentations from representatives of the Ontario Ministry of Finance, the Council of Ontario Universities, the CAAT Pension Plan, Eckler Ltd. (benefits advisors to OCUFA), Koskie Minsky (legal advisors to OCUFA) and Donna Gray (OCUFA staff). What follows is my summary of the key points.

1. The government is committed to three goals: consolidation of university pension plan assets, 50/50 cost sharing, and jointly sponsored (administered) pension plans (JSPP).

The Morneau report is expected to make a recommendation concerning asset consolidation in the next few weeks. The government is committed to using incentives to attain its goals rather than legislation, but OCUFA advisors at Eckler and Koskie Minsky believe that asset consolidation and 50/50 cost sharing for benefits earned in the future will come one way or another. The Ministry of Finance representative stated the government's view that past deficits should remain the responsibility of the universities. The Ministry of Finance person was not specific about how they wish to have 50/50 structured, eg, just within individual plans, within an all-university plan, within an all-Post-Secondary Education sector plan or within a still broader plan?

Eckler and Koskie Minsky stressed that OCUFA members should go for JSPP when 50/50 cost sharing comes so that we have some say in the crucial decisions that will have to be made. For example, do we share 50/50 in both future deficits and surpluses? Who selects and works with the actuaries to decide what is the cost of benefits being accrued, ie, 50% of what?

2. COU endorses the government's three goals with the one key caveat. They favour a university sector single JSPP, but insist that all current plans (assets and liabilities) should be merged into that single JSPP, ie, we cannot leave existing assets and liabilities "stranded" in current plans.
3. CAAT made a strong pitch for their own college-wide plan but explicitly said they do not want a "big bang" merger, ie, one big Post-Secondary Education sector plan overnight. They prefer to add universities to their plan a few at a time.
4. Koskie Minsky, Eckler and OCUFA generally conclude the following:
  - Asset consolidation is an idea which should be pursued as long as each university has some control over asset allocation and exit is not too costly.

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<http://www.mcmaster.ca/mufa>

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► Consolidation of the pension plans themselves will be very problematic given the impact it will have on bargaining. There is no clear sense of what a university sector-wide plan would look like other than the CAAT model, but we do not have sector-wide bargaining unlike the colleges.

► Currently the government is requiring universities to make payments based on their solvency deficits, ie, the funds needed if the universities were to close their doors tomorrow. This makes no sense in our sector because there is little chance of bankruptcy. Relief from solvency funding requirement would lower the overall burden, smooth out payments and greatly help with the unpredictability of costs. Such relief, however, would not be a panacea because there will still be an aggregate \$2.4 billion going concern deficit.

► OCUFA and its members should take advantage of the window offered by the proroguing of Parliament to investigate a variety of alternatives. The Minister of Training, Colleges and Universities, Glen Murray, has resigned to run for the leadership of the Liberal Party, but the Ministry of Finance appears to be running the government's policy on this issue. The options being offered by the Liberal government may not all be attractive, but some type of serious change will very likely come and the options offered by a Conservative government might well be less attractive.

*Martin Dooley,  
MUFA President*

**Homewood Human Solutions** is McMaster University's Employee & Family Assistance Program provider. Their services are available 24/7 and are free to employees and their families. Homewood Human Solutions provides counseling, work-life and health coaching, health risk assessments, and much more. For more information, visit the Homewood Human Solutions website at [www.homewoodhumansolutions.ca](http://www.homewoodhumansolutions.ca), or call their toll free number: 1-800-663-1142.

## Preparation for Remuneration Negotiations Continue

During October we conducted a survey to gather information from our members on their concerns to help the Remuneration Committee assign priorities for our upcoming negotiations. The response rate was just over 50% with many useful additional comments — thank you very much for your strong participation. Most of the questions that were asked related to salary and benefits — these will be addressed during our negotiations with the Administration. A few issues are not strictly speaking remuneration issues and can be discussed at any time. A glaring issue that was raised, particularly by our newer members, was the low availability and high cost of parking on campus. As in past years, the high student/faculty ratio, resulting in part from insufficient faculty recruitment, continued to be of great concern to our members.

Quite by coincidence, in the middle of our survey period, our Premier prorogued Parliament and resigned. The minority Liberal government had been preparing legislation for the Ontario Broader Public Sector (BPS) that would likely have affected the university sector under the "Respecting Collective Bargaining Act". They were also preparing "guidance", possibly in the form of legislation, to address pension issues in the Ontario BPS that would also likely have affected the university sector. Now that legislation on both fronts does not appear likely in the timeframe of our negotiations, we look forward to a normal process of collective bargaining under our standard Terms of Reference.

The Remuneration Committee has met to discuss the results of the survey and is currently preparing a remuneration brief which will be submitted to the membership for approval at the MUFA General Meeting on January 8<sup>th</sup> 2013. The General Meeting will offer an opportunity to talk about the status of remuneration talks at neighbouring universities and to review our own priorities.

Please email me at [kleiman@mcmaster.ca](mailto:kleiman@mcmaster.ca) if you wish to discuss any aspect of our contract negotiations. All comments will be kept in strict confidence.

*Rafi Kleiman  
Chair, Remuneration Committee*

## MUFA Copyright Update

In September we reported that McMaster had signed a copyright licence agreement with *Access Copyright* on June 22. This agreement grants McMaster the right to legally reproduce copyright works within certain parameters at a cost of \$26 per FTE student. Agreements on this model were opposed by a number of faculty associations in Canada who argued that the agreement was unnecessary, too expensive in light of a shifting legal landscape, and too invasive. MUFA did not oppose the agreement, but moved to send a representative to McMaster's Copyright Working Group in order to become better informed on the issue. The *Access Copyright* agreement ends December 31, 2015. As of that date, McMaster will have the option to come to another agreement or to operate without a licence from *Access Copyright*, relying either on fair dealing or on other licensing arrangements. In the case of course packs, such arrangements could be made by staff at *Titles*.

Following closely on McMaster's signing of the *Access Copyright* agreement, the Supreme Court of Canada in July issued a set of five decisions related to copyright. The most important for educational institutions was *Alberta (Education) v. Canadian Copyright Licensing Agency (Access Copyright)*, wherein the court ruled that the use of copyright works for instruction can qualify as "fair dealing" so long as the dealing meets certain standards of fairness that take into account the purpose, character, and amount of the dealing; alternatives to the dealing; the nature of the work; and the effect of the dealing on the work. *Access Copyright* argues that the decision applies only to a narrow band of works, and that a licence continues to be required for most educational copying. See Barry Sookman's [blog](#). Other experts argue that this decision means that much educational copying is now fair dealing, and that universities no longer require a licence such as the one granted by *Access Copyright*. See the blogs of [Michael Geist](#), [Howard Knopf](#), and [Ariel Katz](#), as well as "[Access Copyright Post-Secondary Tariff and its Progeny Licenses: A Working Paper](#)" by Sam Trosow on this point.

In November the new Canadian *Copyright Act* came into force. The Act creates a new category of fair dealing for educational copying. Copies made for the purpose of education, where deemed to be fair under the factors mentioned above, will no longer require permission or a licence. The new Act also creates exceptions for educational institutions for displaying

works including news programs; for showing movies and documentaries; for using works available on the Internet; and for distance education.

McMaster will continue to operate with the *Access Copyright* licence in place until the end of 2015. For the 2012/13 year the University will charge per-page copyright fees to students on course packs and on copies made at photocopiers. The money collected will be remitted to *Access Copyright* at the \$26/FTE rate.

Sara Bannerman,  
Communication Studies & Multimedia

### LITERARY LEGENDS BY SEA AND BY LAND

... to see the wonders of the

Join Dr. Graham Roebuck, Professor Emeritus at McMaster University, Director of McMaster Stratford Shakespeare Seminars and Past-President of the John Donne Society, on a two-week literary journey from New York to Stratford-on-Avon and London. Departing June 1, 2013 on board Cunard's Queen Mary 2, the group will sail to Southampton, England and then embark on a six-day land excursion to Stratford-on-Avon and London, escorted throughout by Dr. Roebuck.

Fares Starting from\*\*  
Cruise: \$1243 Inside  
\$1567 Oceanview  
\$1708 Balcony

\*\*Pricing in Canadian Funds. A minimum of 25 guests is required in order for this trip to be hosted. Please note that the cruise and land excursion may be booked separately.

For further information regarding this offer, please visit:  
[www.elizabethmccallum.cruiseshipcenters.ca](http://www.elizabethmccallum.cruiseshipcenters.ca)  
Email: [emccallum@cruiseshipcenters.com](mailto:emccallum@cruiseshipcenters.com)  
Phone: 905-540-8747

# Long Term Disability

In the unfortunate event that a MUFA member is seriously ill or injured, they are covered for the first six months through the McMaster University Salary Continuance Plan. After the six-month “elimination period” employees are eligible for long term disability (LTD) insurance. LTD insurance is a 100% employee paid, after-tax plan, administered by SunLife. The benefits under this plan are not taxable, since premiums are paid from after-tax money; consequently the payments are typically linked to net income after taxes. Please refer to

<http://www.mcmaster.ca/mufa/Handbook2012/MUFABenefitBookletJuly-1-2011-1-40.pdf>

for a more detailed plan description.

A long term disability is not something we like to think about, but, if it happens, then the details of the plan coverage are very significant. The Table below describes some of the key features of the current plan and areas in which it could be improved. The current plan is not customized to a typical faculty situation; the MUFA Executive is currently examining ways in which the plan could be improved to better serve the needs of our members.

	Current Plan	Other Plans
Own Occupation Period	2 years	<ul style="list-style-type: none"> <li>• 5 years</li> <li>• To age 65</li> </ul>
Research Leave Coverage	No coverage after 6-month elimination period	Full coverage
Payment	75% of net income	85% of net income
Payment Cap	\$7,000/month	<ul style="list-style-type: none"> <li>• \$10,000/month</li> <li>• none</li> </ul>
Indexing	Lower of 2% or CPI	<ul style="list-style-type: none"> <li>• Lower of 3% or CPI</li> <li>• Full indexing to CPI</li> </ul>
Premium Cost	1.61% of gross salary, no salary cap	Substantially lower

According to the current plan, after the “own occupation period” expires, “you will be considered totally disabled if you are continuously unable due to an illness to do **any** occupation for which you are or may become reasonably qualified by education, training or

experience”. In other words, you could be required to take employment in **any** occupation for which you are qualified and at a lower rate of pay than you were receiving at the time of disability. Extending the “own occupation period” would better reflect the extensive education and specialized experience of our members.

According to the current plan, if you are on a one-year research leave, for example, you would not be eligible for LTD between the time when your short term disability expires and you were scheduled to return from leave.

Payment under the plan provides 75% of net income, defined as total income from McMaster less premiums to EIC, CPP and income tax payments. However, these LTD payments are capped and are not fully indexed to CPI. From the Table below, you can see that an estimated 10% of our members would now be subject to this cap, and that number will grow rapidly in the coming years since the cap is not indexed to inflation. Under a scenario in which payments were increased to 85% of net income, the current cap would affect more than half our members in the next few years.

Finally, despite the fact that LTD payments are capped, the premiums themselves are not capped, unlike the arrangement with our pension plan.

Year	MUFA members with LTD payments capped (estimated)	
	75% of net income	85% of net income
2008-2009	3.4%	
2009-2010	4.8%	
2010-2011	5.9%	
2011-2012	7.2%	
2012-2013	9.6%	34.6%
2013-2014	12.5%	41.5%
2014-2015	18.2%	46.8%
2015-2016	22.5%	51.9%
2016-2017	28.2%	56.0%

Rafi Kleiman  
Chair, Remuneration Committee

## ***Per Diems*** **Make a Partial Return**

Following a clarification of provincial regulations, McMaster's Reimbursements to Individuals for University Business policy is changing to allow the use of *per diems* in some circumstances.

*Per diems* for meals and incidentals were eliminated on May 1, 2012 in accordance with provincial legislation and the Broader Public Sector Expenses Directive

[http://www.mgs.gov.on.ca/en/Spotlight2/STDPDPR\\_OD\\_098141.html](http://www.mgs.gov.on.ca/en/Spotlight2/STDPDPR_OD_098141.html).

(A *per diem* provides a specified amount of money per day for meal or incidental expenses with no requirement for receipts).

Since then Financial Affairs has obtained a written clarification from the Province that allows *per diems* from non-Province of Ontario Funds. Specifically, expenses charged to accounts may use *per diems* if there is sufficient non-operating (Province of Ontario funds) to cover the *per diems*. Notably, funding from the Tri-Council agencies may be used for *per diem* expenses. In general, the Directives apply to accounts that receive their base funding allocation from Provincial sources; therefore, most Operating accounts may not be used to pay for *per diem* expenses.

It is the responsibility of researchers to ensure that they spend research funds in accordance with the rules laid out by their granting agency. If you are unclear about the terms of a specific grant, talk to your research accountant <http://orf.mcmaster.ca/contact-us>.

The policy changes, which came into effect on October 1, 2012, are detailed in the revised version of the Policy on Reimbursements to Individuals for University Business

[http://www.mcmaster.ca/bms/policy/accounts\\_payable/ap01-rem\\_univ\\_bus.pdf](http://www.mcmaster.ca/bms/policy/accounts_payable/ap01-rem_univ_bus.pdf)

and companion procedures guide.

[http://www.mcmaster.ca/bms/policy/accounts\\_payable/finaffairs\\_guide.pdf](http://www.mcmaster.ca/bms/policy/accounts_payable/finaffairs_guide.pdf)

If you have questions about this change, contact Terri Wetton, Senior Manager, Accounts Payable ([wetton@mcmaster.ca](mailto:wetton@mcmaster.ca)). Further regular updates will occur each January for matters such as our kilometre reimbursement.

## **Classroom Hotline**

No chalk or erasers? Students falling off broken seats? No lights? Blackboard crashing at your feet? The list goes on.

On January 3, 2001, the then Provost and VP Administration introduced the Classroom Hotline. Instructors should call this hotline to report problems in their classrooms. The Classroom Hotline can be reached by:

Phone: Ext 23073

Email: [clerks@ppims.services.mcmaster.ca](mailto:clerks@ppims.services.mcmaster.ca)

Website: Submit a work request thru the Facility Services AiM Work Management system via <http://ppims.services.mcmaster.ca/plant/index.html>  
Automatic work status updates are provided when an email address is entered into the request.

➤ **It is important for all written correspondence to highlight in the description this is a Classroom Hotline request. This will distinguish the problem so it can be prioritized.** ◀

Scheduling issues or disconnects between class size and classroom capacity should continue to be referred to the Scheduling Office at Ext. 24453 or [bookings@mcmaster.ca](mailto:bookings@mcmaster.ca).

The Classroom Hotline (phone, email, website) is answered Monday to Friday from 8:30 am to 4:30 pm. Leave a message on the voice mail as a Customer Service Clerk may be assisting another Customer. Calls and emails outside of the above hours will be responded by a Customer Service Clerk on the next business day. Immediate classroom emergencies that occur after 4:30 pm — such as no heat, locked classroom, broken water pipes — should be reported to Security at Ext. 24281.

This Newsletter is published monthly between September and May by the Faculty Association at McMaster University. The Association's Executive for 2012/13 is composed of the following members:

President	Martin Dooley
Vice-President	Graeme Luke
Past-President	Virginia Aksan
Academic Affairs	Nancy Carter
Human Rights	Jeffery Donaldson
Membership	Michelle MacDonald
OCUFA Director	Graeme Luke
Pension	Martin Horn
Public Relations	Catherine Connelly
Remuneration	Rafael Kleiman
Special Enquiries & Grievances	Susan Watt
Tenure	Ana Campos & Tracy Prowse
Treasurer	Andrew Mactavish

Executive Director	Phyllis DeRosa-Koetting
Administrative Assistant	Kelly McCaughey
Returning Officer	Matheus Grasselli

Opinions expressed in this Newsletter are those of the authors and do not represent the views of the Association or of its Executive unless so specified. Anyone wishing to contribute to the MUFA Newsletter is invited to send submissions to the Faculty Association Office (HH-103A, e-mail: [mufa@mcmaster.ca](mailto:mufa@mcmaster.ca), ext. 24682). Deadlines are the 15th of each month. All submissions will be published at the discretion of the Editor.

Current and past issues of the MUFA Newsletter are posted on the MUFA website ([www.mcmaster.ca/mufa](http://www.mcmaster.ca/mufa)).



## Housing

**FOR RENT: Beautiful, private West Mountain home @ Garth/The Linc.** Charming, Cozy, & Clean

Freak Clean! 3 spacious bedrms; 1.5 updated bathrms; 5 appliances; spacious kitchen with gorgeous backsplash & ceramic floors; freshly painted. Also: central air, finished basement, & walkout to VERY private deck & backyard for summer evenings. Parking for 2 Cars. Beautiful, safe family neighbourhood with 2 schools & park at END of street. Minutes to Meadowlands Shopping & The Linc. Smoke free / pet free Home \$1450 + utilities. Contact Anita for inquiries/photos @ 1-905-808-2677 or [alk2468@gmail.com](mailto:alk2468@gmail.com)

**FOR RENT: Gorgeous 3 bedrm/1.5 bath Townhome @ Rymal/Upper Gage** 5 appliances, bright kitchen with tile backsplash & ceramic floors, freshly painted, updated bathrooms. Also: central air, cozy fireplace, central vac, finished basement, & walkout to deck for summer BBQ's. Garage plus parking for 2 cars. All 100% spotless! Safe family neighbourhood. Minutes to schools, parks, Limeridge Mall, Community Centre, The Linc. Smoke free / pet free home. \$1495 + utilities. Contact Anita for inquiries/photos @ 1-905-808-2677 or [alk2468@gmail.com](mailto:alk2468@gmail.com)

**FOR RENT: Gorgeous 3 bedrm/1.5 bath Townhome @ Rymal/Upper Gage** 5 appliances, bright kitchen with tile backsplash & ceramic floors, freshly painted, updated bathrooms. Also: central air, cozy fireplace, central vac, finished basement, & walkout to deck for summer BBQ's. Garage plus parking for 2 cars. All 100% spotless! Safe family neighbourhood. Minutes to schools, parks, Limeridge Mall, Community Centre, The Linc. Smoke free / pet free home. \$1495 + utilities. Contact Anita for inquiries/photos @ 1-905-808-2677 or [alk2468@gmail.com](mailto:alk2468@gmail.com)

## Welcome New Members

<b>Jason Busse</b>	Anesthesia/CE&B
<b>Fei Chiang</b>	Computing & Software
<b>Alexandre Dubé</b>	History
<b>Helga Duivenvoorden</b>	Surgery

### Passages

**JOSEPH CSIMA**, Math & Stats, August 17, 2012  
**GERRY FIELD**, Applied Mathematics, November 12, 2012  
**L. DAVID PENGELLY**, Medicine, October 23, 2012  
**SUE VAJOCZKI**, Geography & Earth Sciences, October 6, 2012

**A memorial gathering for Dr. Gerry Field will be held on Wednesday, November 21, 2012 from 1-3 pm in Convocation Hall (2<sup>nd</sup> floor of University Hall).**

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# Mark Your Calendars



## MUFA General Meeting

Tuesday, January 8, 2013  
1:30 pm

Convocation Hall (University Hall, 2<sup>nd</sup> Floor)