



News & Views

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Ending Mandatory Retirement

As many of you are aware, the Provincial Government has moved to end mandatory retirement in Ontario. The Bill to enact this is supported by all three parties and has now received Third and final reading in the House. It's expected to receive Royal Assent in 2-6 weeks. As it stands now the provisions of the Bill will become law one year after receiving Royal Assent. There is, however, no impediment to ending mandatory retirement before the required date and several universities have already done so - notably University of Toronto, Wilfrid Laurier and Lakehead.

What has been happening

Ending mandatory retirement at age 65 has a number of implications for our terms of employment, for our benefits package, and it requires some negotiations with the University Administration. The Faculty Association has been addressing these issues for some time now and this is intended as an update and progress report.

In the Fall of 2004 the Association recognised that ending mandatory retirement would have ramifications in several different areas and that there would be some advantage to having these issues dealt with by a single group rather than within several existing committees. An ad hoc Pension Retirement Advisory Committee (PRAC) was struck in November, 2004 charged with coordinating the collection of information on ending mandatory retirement and developing a position for negotiations with the Administration on implementation of the legislation. The committee consisted of: Robin Davidson-Arnott (chair), Roz Stevenson (now Past President of UGFA), Ed Carter (now President of UGFA), Ian McMillan, Jan MacInnes, Joe Tindale, Thom Herrmann, Eva Nagy, and Ken Dorter. In early 2005 three subcommittees were set up to collect information and develop a position on 1) Retirement and the Pension Plan; 2) Benefits - for current plan members and retirees; and 3) Salary and work conditions (Faculty Policies). The third subcommittee chaired by Thom Herrmann has since been subsumed under the current review of the LTS&B which is currently taking place between the University and the UGFA. The other two have now completed their work and reported back to PRAC.

In early March 2005 the UGFA proposed to the Provost and Vice-president Academic, Maureen Mancuso, that we establish a coordinating committee to address the issues related to ending mandatory retirement. The University Steering Committee on the ending of Mandatory Retirement (USCMR) was set up later in the month consisting of Maureen Mancuso (Provost) Alun Joseph (Dean CSAHS) Ed Carter (President UGFA) and Robin Davidson-Arnott (Chair PRAC). We have been meeting regularly about once a month since then to identify issues develop positions and to facilitate the development of procedures for implementation. These meetings have been cordial and productive, and we have made considerable progress in many areas.

Issues

There are a number of issues that we have identified and are still dealing with:

1) Setting a date for implementation at the University of Guelph.

The UGFA attempted to get the university to end mandatory retirement as of July 1, 2005 through some form of transition period. We were unable to persuade the Administration to follow this course. We hope that a firm date will be announced shortly so that faculty and librarians who would like to continue working past 65 can plan for this. In the meantime, we can only suggest that if you turn 65 in the winter semester of 2006, and do not wish to retire, that you contact the Vice-president Academic and the President directly to express your wish. We will continue to press for an early implementation date and for a timely announcement of this.

2) Pensions

Ending mandatory retirement means that people working past age 65 will be able to continue paying into the pension plan if they have not reached the limit of 35 years of contributions. Once the 35 years has been reached you will cease to contribute to the pension plan but the value of your pension may still rise because it is also based on the average of your highest three years of salary.

Federal legislation now requires that you start collecting your pension no later than December 31 of the year you turn 69. You cannot contribute to the plan beyond this date. However, if you continue working past this you will collect your University of Guelph pension as well as CPP. As it stands now, you would also collect your salary.

3) Benefits

While the legislation does not require the employer to provide benefits beyond age 65, we are working towards an agreement that would do this as long as the additional costs are minimal. It is likely that there will be a separate arrangement for the period between 65 and 69 when employees are working full time and not collecting a pension, and after age 69 when they are working full time **and** collecting a pension. The major cost item is likely to be LTD.

4) Flexible retirement

One result of the ending of mandatory retirement at 65 is that it reduces the ability of the university to plan for faculty replacement and renewal because of the uncertainty as to when people will leave. Most universities in jurisdictions where there is no mandatory retirement (e.g. Quebec) have introduced some form of flexible retirement which provides incentives to faculty to retire in return for signing a contract with a set retirement date. The University of Toronto has also included one in its recent agreement. Typically these arrangements are over a 1-3 year period and they may include some form of phased reduction in work load and/or a financial incentive. We are working with the university to design such a plan.

5) Post-retirement privileges

An important consideration for employees who wish to retire, but also to continue some activities, is the nature of privileges that they can expect on retirement. These could include privileges that all retired faculty and librarians could expect, including e-mail and library access, a meeting area etc., and special temporary arrangements such as teaching a course, completing research and serving on graduate advisory committees. The Provost has indicated considerable interest in formalizing these arrangements.

Where do we go from here?

We will continue to work with the university through the USCMR and within our own PRAC to put together a comprehensive package that will address all the issues raised by the ending of mandatory retirement. Some of these issues will need to be incorporated within the ongoing review of the LTS&B and others will be dealt with through the appropriate formal arrangements with the university. We expect to resolve some of the issues early in the new year and to be in a position to bring proposals forward for approval by faculty. At this time we will have a general information meeting for all faculty and librarians. In the meantime we would welcome any comments, suggestions or feedback. This can be done through the UGFA (facassoc@uoguelph.ca) or directly to me at rdarnott@uoguelph.ca.

Please note, a meeting of those who will be turning 65 in 2006 has been arranged for Tuesday December 13th at 10:00 a.m. in Room 535, U.C.

Robin Davidson-Arnott
Chair, PRAC