JACFA GENERAL ASSEMBLY
Wednesday, December 11, 2002
PENFIELD 204
10:00 a.m.

01. Adoption of Agenda
Moved by Joel Hartt; seconded by Claude Benoit.
Approved unanimously.

02. Adoption of Minutes
Moved by Pierre Gauthier; seconded by Joel Hartt.
Approved with 3 abstentions.

03. Announcements
No announcements.

1. <u>Insurance</u> **<u>VOTE</u>**

Motion: Be it resolved that JACFA renew its life and health insurance with Maritime Life from February 1st 2003 to January 31st 2004 with the following changes to the policy

-that premiums for health insurance increase by 5% in all categories
-that a new category be added for active employees over 65 years of age with the same coverage (paramedical but no drugs) and rates as widow(ers)
-that premiums for life insurance increase from $0.325 to $0.0385 per $1000 coverage
-that the minimum eligibility workload for part-time non permanents increase from a 0.25 to a 0.50 workload
-that coverage for retirees be removed in order to move them onto the FNEEQ plan with La Capitale
-that we move to "retention accounting", where the balance (positive or negative) is carried forward from one year to the next.

- Executive Motion

<u>Health Insurance</u>
Steve Bryce reported that our renewal date is February 1, 2003. We must renew our health insurance policy with Maritime Life, which includes prescription drugs, hospitalization costs, paramedical expenses, and travel insurance. From Maritime's perspective on health insurance, we have had a good year. They paid claims of $337,437.79 on premiums of $445,608.52. The loss ratio was 75.7% (their target was 83.8%).

Where do the claims go?

Drugs	$199,285	62.1%

Lab tests	$ 28,471	8.9%
Psychologists	$ 17,632	5.5%
Physiotherapy	$ 14,982	4.7%
Massage	$ 13,512	4.2%
Naturopath	$ 8,621	2.7%
Hospital	$ 8,025	2.5%
Chiropractor	$ 6,860	2.1%
Osteopath	$ 6,564	2.1%
Orthopaedics	$ 4,240	1.9%
Other	$ 12,533	3.9%
TOTAL	**$320,725**	

Claims Paid by Claimant
Drug Category Top 10 List

Cardiovascular	838	$38,021
Central nervous	1044	$30,572
Hormonal	1121	$20,985
Anti-infection	354	$18,209
Gastrointestinal	207	$12,915
Autonomic agents	247	$11,476
Ear, nose throat	216	$ 5,663
Blood	56	$ 4,775
Skin agents	237	$ 4,374
Serums & vaccines	50	$ 1,853

Top drug by claims is Lipitor $10,730
Top drug by cost is Remicade $25,358

Steve reported that during the initial negotiations, Maritime proposed a 14.9% increase because of a 24% increase in drug costs. JACFA countered with a proposal for no increase as our paid claims actually declined last year and our premiums had increased by almost 19%. The compromise was a 5% increase.
JACFA seriously considered going to tender and changing carriers, but decided, given declining competition in the insurance industry, that we should wait. By contrast, FNEEQ just agreed to a 16.9% increase beginning on January 1, 2003

Following our consultation with faculty last spring and this fall, we propose to make the following changes to our plan: remove coverage for retirees so that they can move *en bloc* onto the FNEEQ La Capitale plan; increase the minimum workload for eligibility from 0.25 to 0.50 given the cost of the plan; and reduce rates for employees over 65 to reflect the absence of drug coverage.

Monthly Rate Comparison

Employees	**2002**	**2003**	**FNEEQ**
Single	$ 69.25	$ 72.71	$ 67.07
Monoparental	$108.85	$114.29	$114.01

Couple	$141.80	$148.89	$134.13
Family	$168.07	$176.47	$181.08
Widow(er)s / Employees < 65			
Single	$ 38.40	$ 40.32	
Monoparental	$ 69.63	$ 73.11	
Couple	$ --	$ 86.07	
Family	$ 97.16	$102.02	

Life Insurance
Steve reported that we face a difficult situation as the age of our group is increasing and the number of those insured is dropping (in 1999, 351 insured; in 2001, 296 insured; and in 2002, 286 insured). Therefore, Maritime asked for a 40% increase in rates to reflect our older, smaller group. This increase was negotiated down to 20%, but Maritime will go no further, unless we change coverage. They suggested that we could cut the increase by reducing coverage at the top end: currently at age 70, when our coverage is limited to $10,000. We could reduce to a $10,000 limit at age 65, and our increase would be only 12%. Or reduce to $10,000 at 65 and $5000 at 70, and our increase would be 6%. The JACFA Executive is not recommending these options at this time.

Larry Weller encouraged younger members to buy life insurance, rather than decreasing coverage for those over 65 years. He also suggested that the Executive should consider making all employees buy life insurance as a condition of employment. Steve responded that we will examine this problem this semester and that purchasing life insurance, along with LTD insurance, may become a condition of employment. But this will have to be approved at a future general assembly.

Retention Accounting
Over past three years, we have seen rates increase and Maritime's loss ratio reverse itself from our to their favour. We have the option of switching to "retention accounting," where the balance over or below a negotiated loss ratio would be carried over from year to year. According to our calculations, if we had had this system this year we would have a $61,000 surplus in our favour that we could have either paid back to our members or used to reduce premiums by 10-15% for next year

Larry Weller asked that if we move to retention accounting, could we have the cash back instead of a reduction in premiums, as the premiums are tax deductible? Steve stated that a surplus would be discussed next year at the General Assembly. Larry expressed concern about retention accounting: as long as we keep going as we have in the past three years, we will do well; however, if we have just one bad year, we could be faced with a 100% increase. He then asked if Steve had any figures? Steve responded that we will have to monitor costs very closely and make adjustments as required. Ultimately, we can change carriers if our increase is too steep. Larry observed that because of mergers in the insurance industry, there are not too many carriers left to choose from.
Paul Jones stated that we need to find an equilibrium. He asked that if we move to retention accounting, could we set up a "slush fund" for a rainy day, instead of getting

cash back? Steve confirmed that we could set up a "slush fund." If we move to the new system, we may have to look at increasing premiums in the middle of the year.
Maureen McCuish asked if we could institute an upper limit for drug claims. Peter Solonysznyj stated that we need to offer equivalent coverage to FNEEQ plan. Larry Weller added that the point of insurance is to cover the cost of all drugs.
Wally Seifert asked if all faculty members who turn 65 will be forced to join the FNEEQ La Capitale plan. Steve responded that while retirees under 65 must take a plan that is available to them under Quebec law, those over 65 have the choice. Wally expressed concern about the 16.9% increase in the FNEEQ plan rates. Steve clarified that the 16.9% increase was for the regular FNEEQ plan, not the retiree plan. The retirees have a different plan with a different company.

Daniel Gosselin proposed an amendment that we vote separately on retention accounting. Paul Jones asked for clarification and then seconded the motion.

Larry Weller asked if our broker was in favour of retention accounting. Steve said it was the broker's idea, not Maritime's. Steve reiterated that we will get the "windfall profits," if any, not Maritime, if we move to retention accounting. Larry responded that our claims will go up because of the increasing age of our faculty and medical costs. Larry asked what our annual premium to Maritime was this year. Steve reported that it was $445,608, and that the renewal includes the assumption of 20% more in costs than last year. Larry stated that he agreed with Paul Jones about the idea of banking the money, rather than giving cash back to our members.

The Chair reminded the General Assembly that we should be speaking to the amendment about the splitting of the motion.
Paul Jones encouraged us to vote on splitting the vote.

The amendment to split the motion and vote on retention accounting separately was approved with 3 opposed and 4 abstentions.

Eric Laferrière called the question on the main motion; seconded by Daniel Gosselin.
The question was called.
The main motion was passed with 6 abstentions.

Paul Jones asked for a sub-amendment to the retention accounting amendment adding that:
the JACFA executive be mandated "to negotiate" a proposal for retention accounting where the balance (positive or negative) is carried forward from one year to the next and that it report back to the General Assembly.
The amendment was seconded by Daniel Gosselin.

Jim Leeke spoke against the amendment as the original motion does not tie us into one way of using the money. He stated that what we are agreeing to is to keep premiums down by taking a chance on retention accounting.

Steve Bryce responded that the sense he's getting is that the General Assembly wants more information on the retention accounting motion and that he would feel more comfortable with a clearer mandate from the General Assembly.
Larry Weller stated that he accepts the method, as long as we decide at a future date about what to do with surpluses or deficits. Peter Solonysznyj reminded the assembly that we have to tell Maritime Life up front, if we want to go to retention accounting. The motion was read again and Peter said he would vote against it as amended. Pierre Gauthier noted that it was the broker, not Maritime Life, who suggested that we move to retention accounting. Jim Vanstone spoke against the amendment because we would just be postponing our move and that he does not buy the argument that the faculty is getting older and that premiums will continue to rise; we may be getting older, but a lot of faculty are about to retire.
Paul Jones asked for clarification on how we would deal with surpluses. Steve stated that we would have to decide at a future General Assembly. Paul expressed concern about the many unknowns and asked if this is really the best thing? The Chair stated that now is the time to make the decision about whether to move to retention accounting.

Larry Weller proposed a friendly amendment:
Be it resolved that we move to retention accounting where the balance (positive or negative) is presented to the General Assembly to determine how to deal with it each year.
Les Dickie called the question; seconded by Daniel Gosselin.
Motion was passed with 1 opposed and 6 abstentions.

2. <u>CI Update</u> **<u>REPORT</u>**

Jim Leeke reported that to pay full-time, non-permanent teachers by contract only costs the College 1-2 teachers. Stachrowski wants to move fully to CI and post course sections. Jim responded to Henderson's letter claiming that paying by contract is too expensive and risky. This is not the case according to our studies. We pay for extra 1-2 teachers out of our own management of the allocation and the 16 surplus teachers we have accumulated. This surplus of teachers was built upon our labour and we can dip into that surplus if required; therefore, there is no risk. To date, Jim has not received a response from the administration. Paying teachers by CI affects their seniority, pensions, and salaries, so this is a terribly important issue. We cannot take "no" as an answer. Jim urged everyone to contact Henderson.
Larry Weller asked if anyone has gone to speak to Henderson and what his response was. Lori Weber said that she has sent a letter and that she has not received a response. Jim reported that plenty of non-permanents have a CI of 41, 42, 43 and the college is not accounting for this situation. Furthermore, many of the teachers who have a CI below 40 have special restricted sections with lower enrolments, but are being penalized for a situation that they cannot control.

Larry Weller encouraged the chairs present to meet with Henderson in person about protecting teachers with reduced class sizes.
Lynda Gelston thanked Jim Leeke for all his hard work. She asked what the College's argument will be if paying by contract is not too expensive. Jim responded that the College has the right to load up permanent teachers to a CI of 88; however, with non-permanents they have two options: pay by contract or by CI. The College's motive seems to be to make us like every other college, to "normalize" us. Jim said that he believes that Henderson is against the JAC way and any faculty privileges. The hiring of Catherine Gillbert is a perfect example of this type of thinking.
Jim Vanstone cited the example of a non-permanent faculty member who has the same scholarity and experience as he and who will be penalized if paid by CI. Jim Leeke noted that permanents cannot be paid less, but their workloads can be increased. However, it is not that easy to increase a permanent's workload as departments schedule and assign courses. This situation can cause conflict between non-permanents and permanents who want a better schedule.
Will Richardson asked why low CI sections are going to non-perm? They should be redistributed to permanents. There is no distinction in the Math department. Will stated that we need to deal with the structural situation. Jim responded that some departments have to hire specialists and these teachers sometimes end up with a CI of 70. Jim suggested that the Math department should argue that the high CI's in Math ought to be applied to other departments, such as the technologies. The College has agreed to reduce class sizes, but then wants to turn around and penalize the teachers. We are working as a collective faculty, not as individual departments.
Paul Jones stated that the administration is creating bureaucratic fictions. It is legitimate to have smaller sections and departments should not be penalized. He thanked Eric Laferrière for all the work he has done in his department in dealing with the CI issue. He continued by stating that the CI issue is not just a non-permanent problem and that departments need to start thinking about scheduling around non-permanents in order to establish equality.
Larry Weller concurred with Paul Jones and stated that the conflict must not be among us, but rather between Henderson and the faculty and that we all need to go to complain to him. Larry cited the case of an English department teacher who only teaches restricted enrolment courses (ESL). The administration is clearly not acknowledging the skills and talents of our teachers. We must fight and bring this directly to the Board of Governors, if need be.
Mike Turner asked if we have control of the teacher surplus. Jim Leeke stated that it is negotiable at CRT each year. In fact, the whole allocation is negotiable each year.
Lesley Aiton asked how the administration reacts to the idea of averaging out teachers' workloads in a department. In Nursing, they are carrying a full departmental load by averaging out the teachers' workloads, but the College will not accept their argument. Jim Leeke responded that they have no response as they just want to save money by reducing the salaries of non-permanent teachers with a CI of less than 80. Lesley added that most teachers in Nursing will go back to clinical practice if they are paid by CI.
Lori Weber stated that there is nothing "normal" about the CI system and the other colleges should be actively moving to the JAC way. At Vanier, the non-permanents in the English department taught 4 courses and permanents taught 3. If we move to the CI

system, non-permanents will not be motivated to sit on committees, volunteer at Open House, etc. Above all, it is inhumane!
Jim Leeke stated that Dawson faculty have asked how we have managed to avoid CI for so long. The answer is because we fought for it.
Alain Andre asked about overload and teachers receiving cheques. Jim responded that if you go over a CI of 88, the College has to pay you more.
Peter Solonysznyj pointed out that some colleges have deficits of 16 teachers and that they maximize workloads to recuperate these deficits. When Henderson was Academic Dean at Outaouais, he was not a member of CRT, but that college had major problems with over-hiring and had to maximize workloads to work off an accumulated deficit and they are still trying to make it up. But this is not the situation at Abbott. Paying by contract works here.

Once again, Jim Leeke encouraged faculty members to contact Henderson.

3. <u>Student Success Plan Funding</u> **<u>VOTE</u>**

Motion: Be it resolved that JACFA mandate its representatives (Executive, CRT, Academic Council reps.) to negotiate, implement and support an agreement with the College concerning adequate funding of departmental and program student success plans out of the Student Success Budget. – Executive Motion

Peter Solonysznyj reported that the provincial government has put $11 million into the system for student success. Last year the College received $508,000 and this year it got $549,000. The distribution of said funds must be approved by the College, but the money should be spent on projects that directly involve teachers and students. Absolutely no funds were allocated to teachers in the last year (originally the budget included $500 to teachers, but in the spending of the budget, this sum was reduced to $0). Departments need to start asking for these funds, by asking for teacher release for 2003-04 to coordinate the CAF in French, the Math Tutor Centre, etc. At present, faculty are doing the work for these projects for free or it is being funded with teaching allocation. Teacher allocation is currently paying for student success and the new funds are being used to plug holes in the operating budget. However, the funding allows support for projects by teachers. At Ahuntsic, 80% of student success funds go to teacher release in departments and programs.   We could also top up low CI teachers who teach reduced enrolment remedial courses with this money.   We are not after all the money; some should go to the Learning Centre. However, right now the message is that teachers have nothing to do with student success. Also the college is double-dipping, by using our allocation to fund student success.
Daniel Gosselin asked if the proposals should be sent to the Academic Council sub-committee on student success. Steve Bryce responded that they should be sent to the Academic Dean, but to please send JACFA a copy.
Mike Turner asked about the idea of topping up teachers with a low CI with this money. Jim Leeke stated that, yes, it can be done.

**Wally Seifert called the question; Larry Weller seconded.
The motion was approved unanimously.**

4. <u>Salary Structure Negotiations</u> **<u>REPORT</u>**

TABLED.

ADJOURNED.