



CAAT-A

COLLEGES
ACADEMIC
DIVISION



Bargaining information for OPSEU members in the CAAT-Academic Division

FAQ: Costings of Union proposals

Theoretical Costs v Actual Costs

Q: How can the costing figures of the union and the colleges be so far apart?

A: The Colleges have included actual and the maximum possible theoretical costs of union proposals. The union has costed proposals on actual costs only.

Three examples of some soft costs included by the Colleges:

1. The Colleges advised on July 15th that they were costing Family Day at \$3.4 million. The Colleges based their costing on, “not getting any value for the day.” There are no actual costs. There is not even a loss of productivity as faculty make up the work.

2. The union proposed that Colleges make all “reasonable efforts” to have full-time students taught by full-time teachers. (This reduced a proposal to have 75% of credit courses taught by full-time teachers.) The Colleges replied that they costed this at \$317 million because it would “require them to convert every part-time, partial-load, and sessional teacher to full-time.” While it may be theoretically possible to incur such costs, it is equally possible and far more likely to incur no costs. The union proposal – on the reasonable assumption that excessive costs would be a key consideration in any standard of reasonableness – could be virtually cost-free. The union later withdrew this proposal completely so it is no longer included in costs. It is a good illustration of the Colleges’ costing principles and model.

3. When costing workload, the Colleges assume the maximum theoretical impact not the actual impact. Colleges base their costing assumptions as though every teacher was assigned at maximum. Actual total workloads average is 41.2 not 44. No costs are incurred until overtime is reached. The union's proposed 20% increase to evaluation has an actual impact of 1.66 workload hours per week. Again, theoretical costs inflate actual costs significantly.

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First year actual costs of the Union salary demands, are as follows:

Annual faculty salaries for the college system were **\$620 million** [Council figures]

The union is proposing a 2.5% increase which costs **\$15.5 million**. [2.5% x \$620 million]

The union proposed an allowance for faculty who've been at Step 21 for a year – **\$500**.

The number of faculty at Step 21 is approximately 2450 currently.

The cost of that proposal is therefore **\$1.225 million**. [\$500 x 2450]

Total first year cost of the salary increase is **\$16.725 million**. [15.5 + 1.225 million]

That is a **2.6%** increase to college faculty salary budget in 2009, and a **.059%** increase to the total system budget.

Including an increased allowance in the second and third years, the average annual total salary increase is still less than 3% per year, just over \$ 19 million per year.

Q: Do the union proposals require the colleges to spend what they are asserting?

A: Absolutely not. The inclusion of theoretical costs inflates the numbers enormously. The actual hard costs are far less.