



Ontario College Administrative Staff Association (OCASA) Backgrounder: Impacts of Colleges Salary Freeze

June 2010

OCASA works to provide members with timely, accurate and complete information about matters that affect them. This includes promoting the best compensation outcomes for college administrators in light of the salary freeze imposed by the provincial government in March 2010.

The salary freeze became law with the passage of Bill 16, the legislation enacting the 2010 Ontario Budget. Although Bill 16 received Royal Assent on May 18, 2010, its effective date is retroactive to March 25, 2010.

The new law affects college administrators and all non-union employees in the Ontario government and broader public sector, excluding municipalities. It freezes the compensation plans of all affected employees at March 24, 2010 levels for two years, until April 2012, as part of the government's plan to eliminate the provincial deficit by 2018.

How the freeze affects college administrators

The Act affects for recruitment and college administrators in several ways. Here's what the freeze means to you.

- *I am at the maximum of my salary range.* The Act freezes your salary at existing levels for two years. You will not get a structure increase or a merit increase. You may be eligible for an Exceptional Payment Incentive (EPI) award. About 45 per cent of OCASA members have reached the top of their range.
- *I have yet to reach the maximum of my range.* You may receive merit increases until you reach the top of your range, if such an increase was part of your college's compensation plan on March 24, 2010. Your merit increase will be based on March 2010 salary levels. These levels will not change for at least two years.
- *I am nearing retirement.* Your income may be frozen at March 2010 levels during the critical final years before retirement. This may reduce your pension benefits.
- *My position is in paybands 5 to 8.* You may face salary compression or imbalances with unionized support staff that do similar work.
- *I am an academic administrator.* The Act is silent on compression allowances. This may narrow the margin between these administrators and faculty, creating inequities as well as disincentives to retention.

Implications of the salary freeze

The salary freeze will have impacts across the colleges sector.

It will affect employee engagement, job satisfaction, and recruitment and retention, as administrative employees have increasingly been asked to deliver more while doing with less. These same employees are now the first to have their wages frozen as a cost-saving measure.

The salary freeze will hit home for many OCASA members.

Although the government has positioned the freeze as a measure to cap large salaries of senior-level executives across the public sector, it covers all college administrative employees. More than half (57 per cent) of OCASA members earn salaries below \$90,000 last year and more than one-quarter (26 per cent) earned less than \$70,000.

The government did this without consulting college administrators.

College administrators are an important partner in delivering the Ontario government's priorities for higher education. Given the fiscal challenges facing the colleges sector and the province, OCASA believes the best way forward is for all parties to adopt a collaborative and consultative model. Therefore, future consultation on topics affecting college administrators should include OCASA.

It's time to address long-standing issues with the colleges.

This is more important than ever given the salary freeze. OCASA members need clarity and consistency in applying the compensation guidelines, moving people through the range, EPI awards and other practices. We're working to raise these issues with the College Employer Council this fall.

It's time to recognize the contributions of college administrators.

Everything that happens in Ontario's college system happens because an administrator helped to make it happen. Every day, we help the province deliver its priorities for higher education. We are an important partner that should be at the table when consultations take place.

Our commitment to OCASA members

OCASA strongly believes that consultation and problem solving will achieve the best outcomes for college administrative staff. We'll continue to promote constructive, solutions-based dialogue on compensation issues, both within the colleges system and with government, to serve the best interests of college administrators.

We will continue to work with many partners to find solutions that strengthen the ability of college administrators to contribute to the mission of Ontario's colleges.

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