

February 27, 2012

The Honourable Dwight Duncan
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd Floor
95 Grosvenor Street
Toronto, ON M7A 1Z1

Dear Minister Duncan,

Enclosed is the Pre-Budget Submission for Ontario College Administrative Staff Association (OCASA).

We would welcome further discussion and consultation moving forward.

For further information, please contact:

Diane Posterski, Executive Director

1.866.742.5429 ext. 102

diane.posterski@ocasa.on.ca

Sincerely,



Rick Helman,
President



**2012 Pre-Budget Submission to the Minister of Finance,
The Honourable Dwight Duncan**

"The recruitment and retention of quality talent for colleges is vital to ensuring the future economic prosperity and growth of Ontario."

Submitted by:

Ontario College Administrative Staff Association (OCASA)

Contact:

Diane Posterski
Executive Director,
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www.ocasa.on.ca

Introduction

Ontario's 24 Colleges of Applied Arts and Technology have been leaders in providing programs that are preparing a stronger workforce, equipped for changing economic realities.

Where colleges lead in innovation, matching skills training to industry needs, and being responsive to market demands, it is the Administrators (management) in these colleges who are the agents of change, the strategists.

College administrators are responsible for the implementation of strategic plans that ensure effective programming with efficient operations that will create the skilled workforce Ontario needs for its economic success.

This select group of passionate leaders is acutely aware of fiscal responsibility and the challenges of balancing budgets. While they manage tight budgets daily, they are also an employee group that faces real challenges of succession planning, massive turnovers due to retirements, growing student enrollments, and the very real cost to college education if good talent cannot be recruited and retained.

Who are college administrators?

From providing strategic leadership to supporting student life, administrators keep colleges running smoothly, efficiently and effectively. They touch virtually every aspect of the college experience and serve in all college departments – from academics to admissions to food services and financial aid.

There are approximately 2,100 administrators in the provincial college system overseeing programming for 200,000 full-time students and 300,000 part-time students and clients. Many are highly educated professionals with substantial management responsibilities. Administrators hold a range of titles, from executive assistants and supervisors to managers, deans, directors and vice presidents (Appendix 1).

Staffing challenges facing colleges

More than 35 per cent of administrators are eligible for some form of retirement, while 11 per cent are eligible for unreduced retirement. As in many sectors, the boomer generation will be exiting the workforce in unprecedented numbers.

The two-year wage restraint has left its impact on the college sector. Lower payband administrators are seeing differentials with support staff counterparts quickly erode, and even vanish in some cases. Similarly, some academic administrators who supervise faculty in the coordinator's role are also seeing increasing compression between their

salaries (Appendix 2). Bargaining begins with faculty starting August 2012 with the expectation that further wage increases will be negotiated.

Typically academic chairs and deans are recruited from the ranks of faculty. This is becoming increasingly difficult, as the monetary incentive is negligible given the increase in workload, hours and responsibility. Vital to college programming is the academic leadership from Deans and Chairs/Associate Deans. **The erosion of quality talent moving into these positions will limit the ability to ensure a highly competent management team delivering excellent programming while maintaining productive efficiencies.**

Moreover, wage restraint also has a financial impact on individual employees, particularly those in their last five years before retirement. **Extending this beyond March 31, 2012 may very well increase the rate of retirements, putting even greater pressure on the staffing challenges.** Losing institutional knowledge ahead of plan will create even more gaps in leadership that is so important to colleges' success in generating a highly skilled workforce.

Financial impact of wage restraint

College administration is already lean. **Total compensation for college administrators represents only 14 per cent of all college expenditures. Therefore, wage restraint does little to realize savings.** At least 43 per cent of administrators earn less than \$82,000. More than 70 percent of all college administrators earn less than \$100,000.

Conclusion

The Province is facing significant fiscal challenges. As the Province looks to the Drummond Report for guidance on reforms, it should note that wage restraint for administrators delivers little savings and great risk. The recruitment and retention of quality talent for colleges is vital to ensuring the future economic prosperity and growth of Ontario.

Recommendation

OCASA recommends that the two-year wage restraint be lifted March 31, 2012 as originally scheduled, and not be renewed in the 2012 Budget.

The focus on ensuring quality education and programming, and finding efficiencies in delivery and overall services, can only be accomplished with a highly trained, effective management team that brings experience and innovation to the job. Lifting wage restraint will be an important step towards ensuring recruitment of excellent talent into strategic roles, and retaining the experience and knowledge required to meet the challenges in the next decade.

Ontario's 24 colleges of applied arts and technology play an important role in developing a skilled workforce that will drive our economy forward and secure our long-term prosperity.

College administrators are committed to the value of higher education and training as a gateway to opportunity. By ensuring strong academic programs and cost-efficient operations, skilled and knowledgeable administrators are essential to the success of the province's college system.

Who is a College Administrator?

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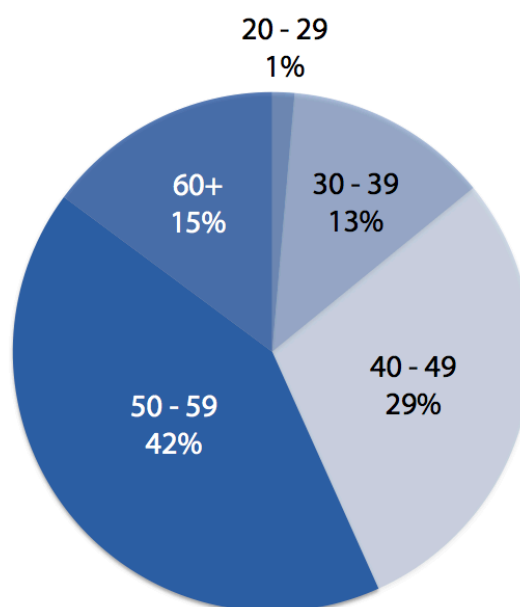
Gender

- About 60 per cent of Ontario's college administrators are female and 40 per cent are male.

Age & Retirement

- Over two-thirds of Ontario's college administrators are between the ages of 40 and 59.
- Retention and recruitment of administrators will soon become a significant issue for colleges. More than 35 per cent of administrators are eligible for some form of retirement, while 11 per cent are eligible for unreduced retirement (*Source: CAAT Pension Plan*).

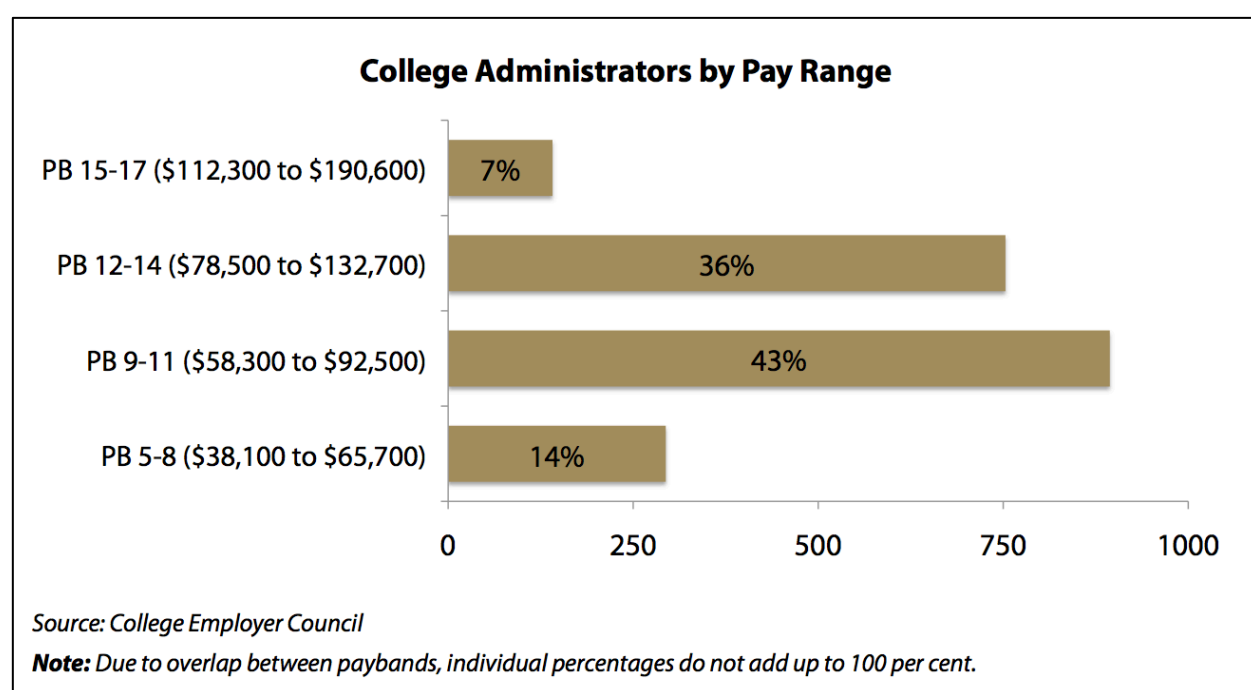
College Administrators by Age



Source: College Employer Council

Salaries and Benefits

- Administrator salaries are spread across 13 pay band levels, starting at \$38,102 and topping out at \$190,580.
- The majority falls into the middle of this range, with 43 per cent in paybands 9-11, (\$58,300 to \$92,500). More than 70 per cent earn less than \$100,000 per year.
- Total salaries and benefits for administrative staff represent about 14 per cent of total spending on salaries, wages and benefits in the Ontario college system. Compensation for full-time faculty accounts for nearly 40 per cent, and support staff almost 24 per cent. (*Source: College Financial Information System*)



About OCASA

OCASA is a voluntary, professional association which supports and advocates for Ontario's community college administrators, while building and promoting administrative excellence for the betterment of the college system.

Founded in 1996, OCASA enjoys the support of the College Employer Council and Colleges Ontario, working together on matters relevant to college administrators.

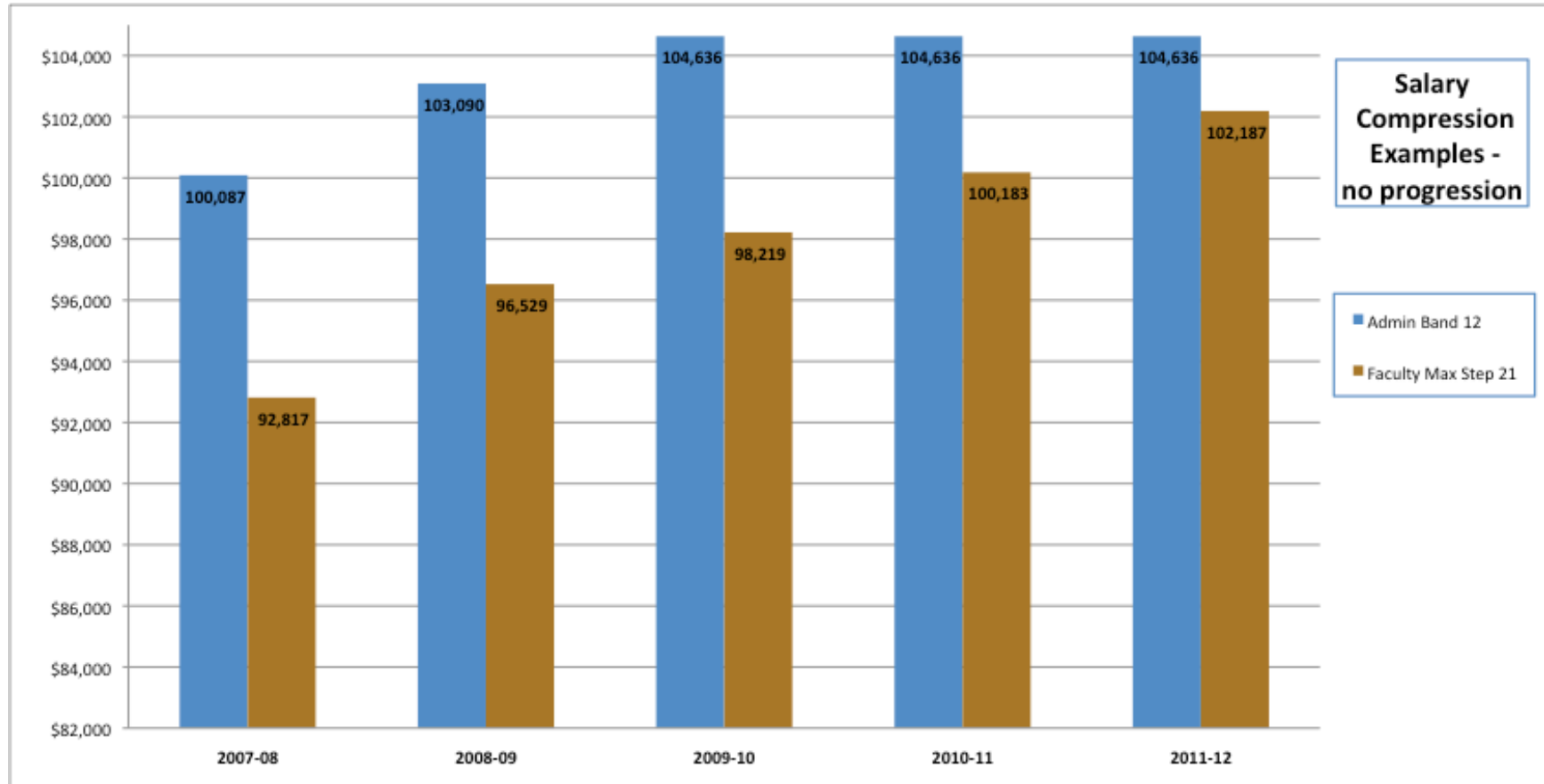
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Salary Compression examples: Administrative vs Faculty

(These are examples, and not representative of all staff in either category)

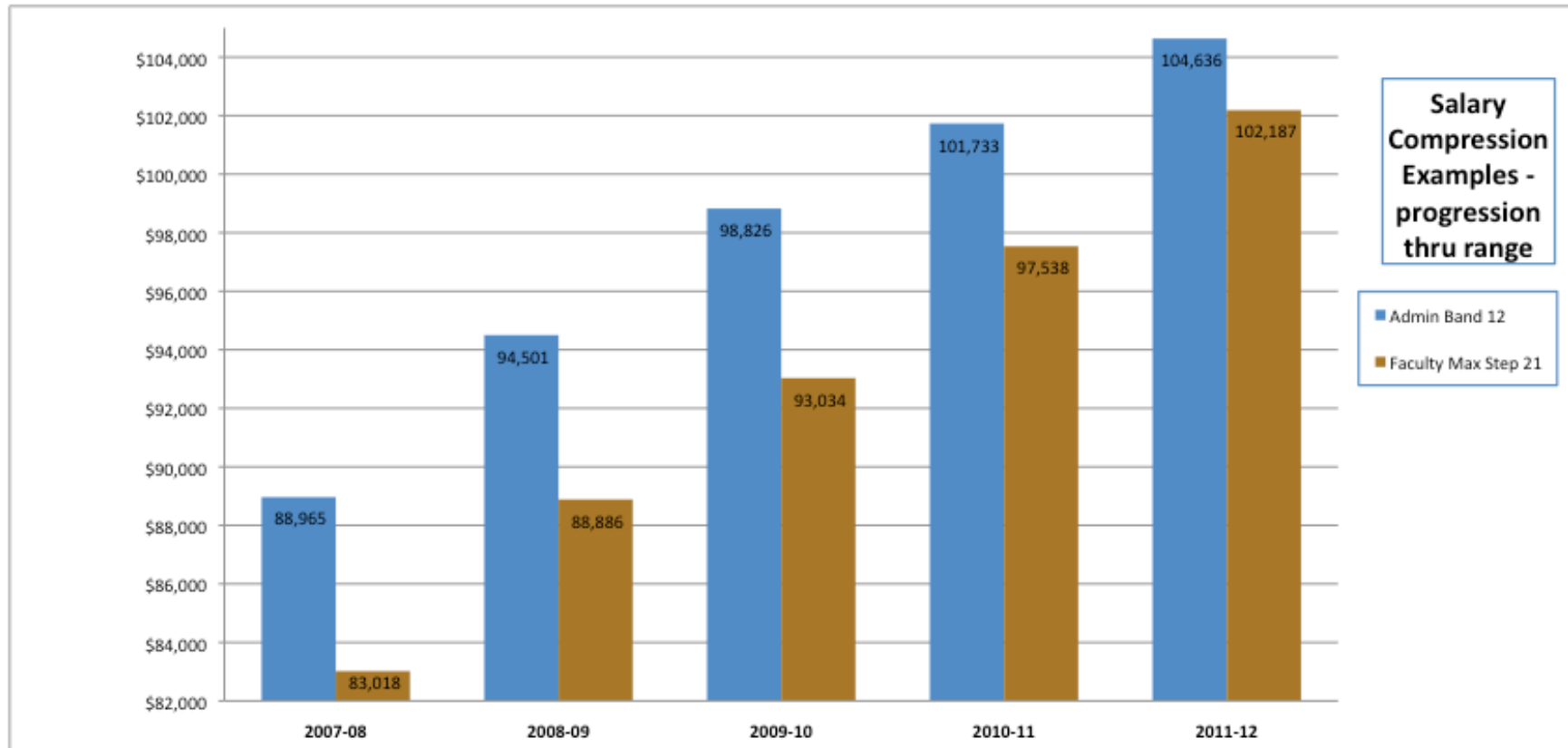


Assumptions:

- Admin exemplar is at max in Band 12 by 07-08
- No exceptional performance
- Faculty exemplar is at max Step 21 in 07-08
- Does not include Coordinators' Allowance (about \$2,700 per Step)

Salary Compression examples: Administrative vs Faculty

(These are examples, and not representative of all staff in either category)

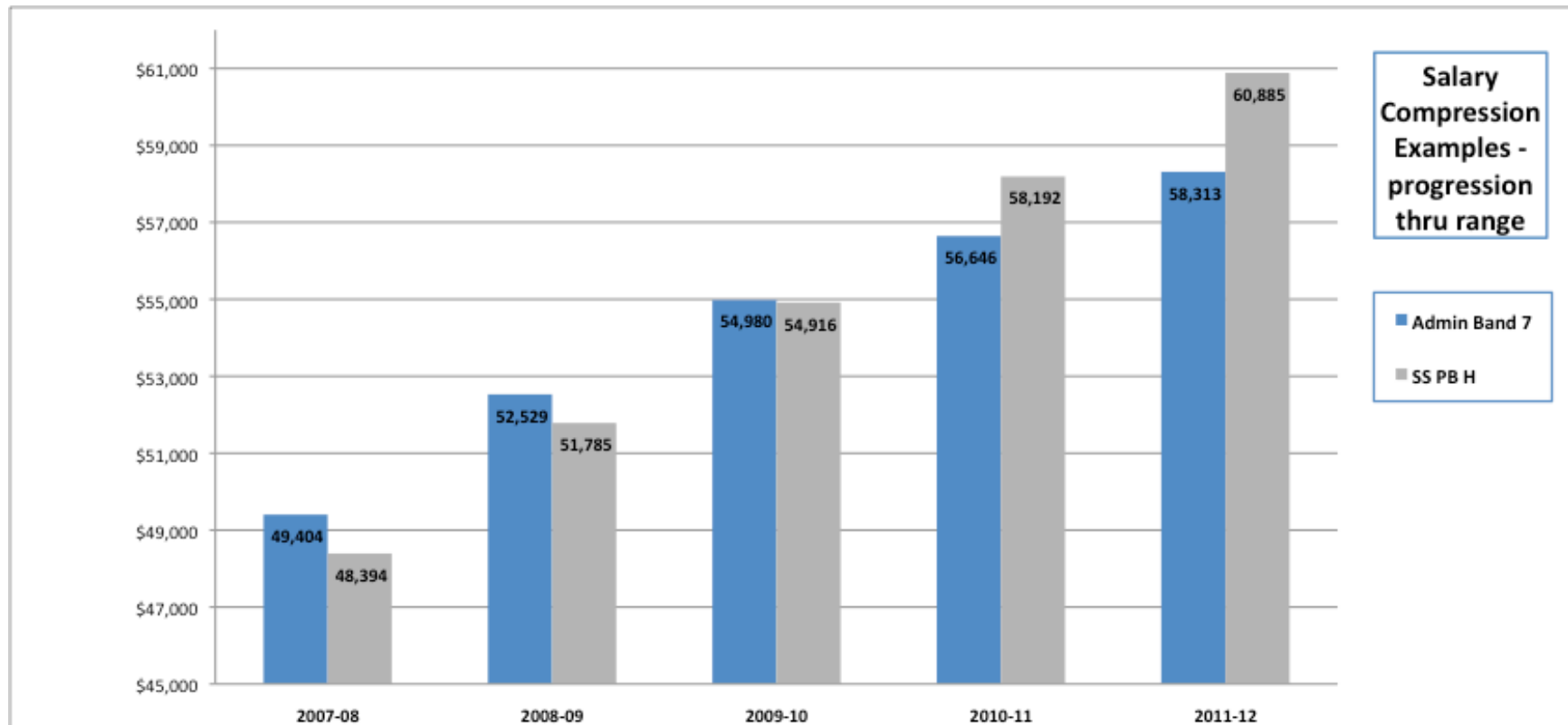


Assumptions:

- Admin exemplar progresses to maximum in Band by 2011-12
- Faculty exemplar progresses to max Step 21 by 2011-12
- Does not include Coordinators' Allowance (about \$2,700 per Step)

Salary Compression examples: Administrative vs Support Staff

(These are examples, and not representative of all staff in either category)

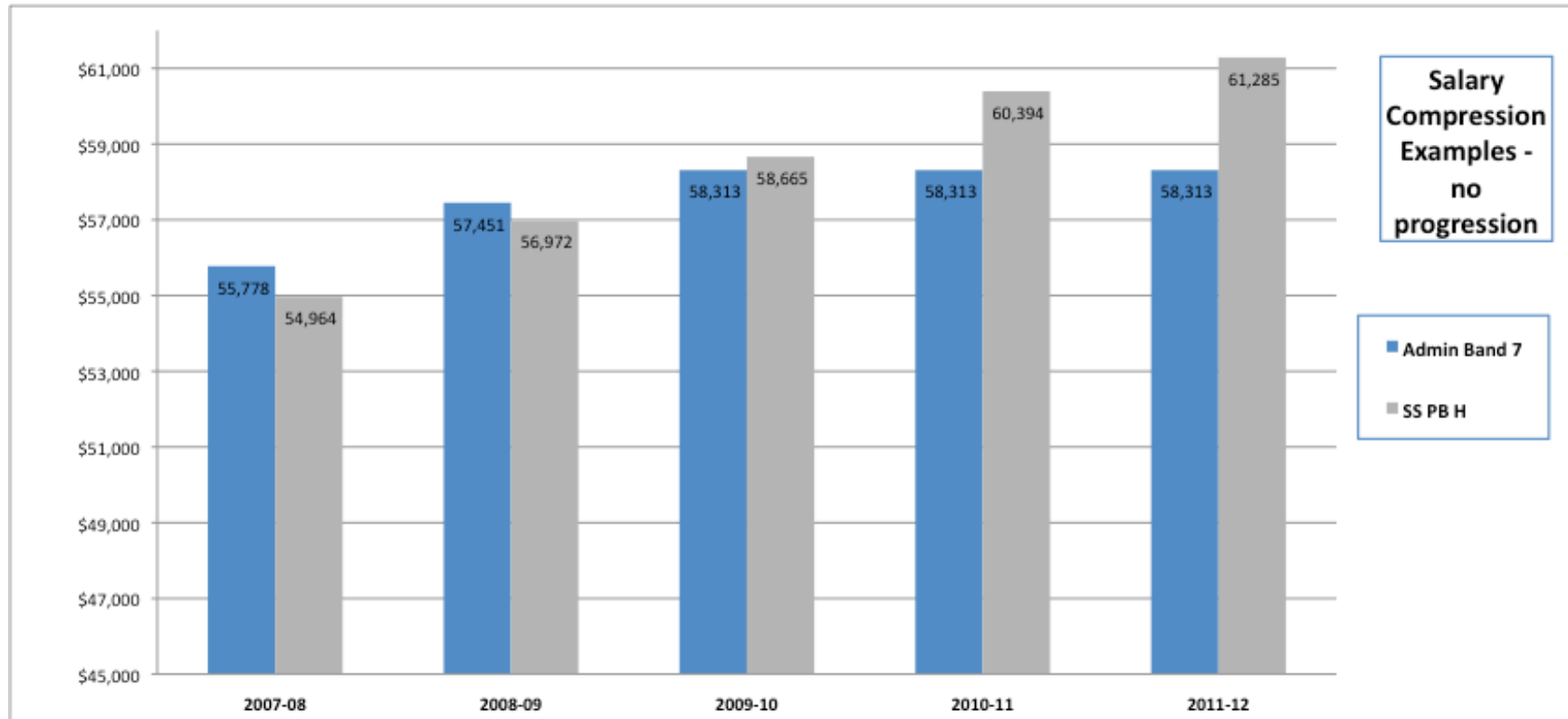


Assumptions:

- Admin exemplar progresses to maximum in Band by 2011-12
- Support exemplar progresses to max in 2011-12
- Qualifies for 6 month recognition allowance (\$425) but not 10 yr

Salary Compression examples: Administrative vs Support Staff

(These are examples, and not representative of all staff in either category)



Assumptions:

- Admin exemplar is at maximum in 2007-08
- Support exemplar is at maximum in 2007-08
- Qualifies for both recognition allowances from 07-08 on