MINUTES OF THE EIGHTEENTH MEETING
OF THE
CONCORDIA UNIVERSITY PENSIONERS' ASSOCIATION
HELD ON
WEDNESDAY, APRIL 24, 1996
IN ROOM H 767, THE FACULTY CLUB LOUNGE
IN THE HALL BUILDING

18.1 Call to Order

The meeting was called to order by the President, J-P Pétolas. Over 55 members were in attendance. In his introductory remarks, the President welcomed the following new members who had joined the Association since the meeting of October 24, 1995: John Miller, Bruce Smart, Hans Hugener, John and Vicky Saunders, Claire Beaulieu, Jack Fearnley, Ernst Haefeli, Daniel Plamondon, Patricia Kierans, Gerard Viger, Audrey Williams, Audrey Wells, Ellen James, Carol Foster, Angela Mancuso, Joseph Berlettano, Larry Boyle, Hélène Crawford Beaudet, Lorraine Boyce, Keith Crouch, Carol Bissonnette and Albert Jordan. He announced, with great regret, the deaths of Jean-Guy Lachance, Lorna Deakin and Muriel Uprichard.

18.2 Approval of the Agenda

The agenda was approved, as circulated, on a motion by Libby Gardham, seconded by Dagmar McDougall.

18.3 Approval of the Minutes of the Meeting of October 24, 1995

The Minutes of the meeting of October 24, 1995 had been circulated in summary form in the CUPARUC Newsletter (vol v no. 1) mailed to the membership in January 1996. The official minutes were provided to all present. The Minutes were approved on a motion by Henry Beissel, seconded by Francisco Tomás.

18.4 Business Arising from the Minutes

Relevant matters all appear elsewhere on the agenda.

18.5.1 Report of the Nominating Committee

Geoff Adams was joined on the Nominating Committee by Evelyn Donnelly and Ken Adams. He reported that, after frequent consultations, they had been fortunate in convincing the following members to stand for nomination as Members-at-Large on the Executive Committee for the upcoming three-year term. Stan Kubina has agreed to renew his term, presently expiring, and Sarah Maritzer has agreed to fill the position being vacated by Dagmar McDougall (having completed two terms, the maximum allowed in the same position). Geoff noted that Stan is a Professor Emeritus of Electrical Engineering and Computer Science, and that Sarah was previously the Administrative Assistant in the Education Department. At this point the President called for any additional nominations from the floor. None were forthcoming. As a result Geoff Adams proposed that Stan Kubina and Sarah Maritzer be acclaimed to the positions of Member-at-Large for the term of June 1, 1996 to May 31, 1999. Carried unanimously. The Association

expresses its appreciation to Dagmar McDougall for her active contributions to the Executive Committee and the Association during her two terms as Member-at-Large.

18.6 Elections

As a result of the above acclamations there was no need for an election to be held.

18.7 Membership Survey

Bruce English stated that an ad-hoc committee, consisting of himself, Guy Gervais Dick Mcdonald and Kurt Jonassohn, had been struck to design a questionnaire for the membership. Consisting of approximately 20 questions it is designed to solicit members' opinions as to whether the Association is responding to members' expectations. It is anticipated that the survey will be mailed in early May. Bruce encouraged all members to take the 10 to 15 minutes required to respond to the survey in order that the results may be fully representative of members' opinions.

18.8 Reports

18.8.1 Report of the Representative on the Pension and Benefits Committees

In the absence of Muriel Armstrong, John Hall (Alternate Representative) reported on the activities of the Pension and Benefits Committees.

Benefits Committee: The news from the Benefits Committee that is most relevant to the Pensioners' Association is the rapidly expanding size of our potential market. The Early Retirement Incentive Programme for Staff personnel, which went into effect last fall, produced 126 new pensioners. Now we have a new retirement incentive programme, this time aimed at Faculty and Librarians. It is patterned on the Staff programme, with some modifications made necessary by the existence of the CUFA Collective Agreement, and by the different age distribution of the faculty. It is to be offered to those who will be 58 or over by the end of this year. The total number of eligible members is 218. In the case of the Staff programme, more than 55% of those eligible accepted the offer. The general feeling of the CUFA representatives on the Committee is that not nearly as high a proportion of those who are eligible will accept the offer. Even so, we have the prospect of becoming a larger group by June 1 this year, and a still larger one by next year.

Pension Committee: As those who watch the financial markets would expect, the pension fund did very well in 1995, better than can be hoped for in the next few years. Both the bond market and the stock market yielded unusually large returns. The fund earned about 16% in 1995; this will undoubtedly increase the size of the surplus, and mean that the University, once again, will not contribute to the fund. Most of the Committee's time over the last six months was spent monitoring the performance of our four fund managers. For those interested in geographic allocation of our portfolio, the only significant decision that has been taken is that the foreign equity portion is to be raised from 15% to 20%. The Canadian portion will be reduced from 35% to 30%, to make room for the increased foreign investments.

Questions: In response to questions raised the following points were covered:
Under the proposed changes to the Quebec Health Insurance Plan, the additional cost of medications which seniors will be required to pay, should be covered by the University's Health Insurance Plan. This will, no doubt have an impact upon the premiums we are now paying. This is an issue that we as Seniors should be lobbying the Government of Quebec about, perhaps through the Coalition of Quebec Seniors.

The pension fund surplus is sufficient to cover the costs of the pensions of all of the new entrants. Indeed, it was this surplus that prompted and enabled the University to launch the ERIP and the FALRIP projects.

18.8.2 Report from the Programmes Committee

Geoff Adams reported that the regularly scheduled events - the December annual luncheon and the March sugaring-off party - were their usual successes. The Valentine's Day Casino visit was held for the second time this year and seems to have established itself as an annual event. Some of the new activities this year which met with some enthusiasm were a visit to the IMAX Theatre in October as well as a matinee presentation of the play "Take the Floor" at the Centaur Theatre preceded by a lunch at Au Cépage in November. An event in January which did not seem to meet with too much enthusiasm was a trip to the bowling alley. There were six events held this year and the Committee would recommend the Theatre matinée for future Committees to consider.

18.7.3 Secretary-Treasurer's Report

John Hall presented a statement of income and expenditures for the period June 1, 1995 to March 31, 1996. It indicated total expenditures of $2498.22 as against total revenues of $2170.00, and a current balance of $2031.60. This year, in response to a request from the Coalition of Quebec Seniors for support for its "INFORMACTION" project, the membership voted, at last fall's meeting, to grant a donation of an additional $100.00 to the project. This is now bearing fruit, as they have invited us to provide an information file to be located on their web site. Therefore CUPA will now have a presence on the internet. A motion to accept the Treasurer's Report and Statement of Expenditures and Income was passed unanimously.

With respect to membership activity, there has been an influx of 23 new members since October 1995 due mainly to the ERIP programme. Regrettably, three members have died over the same period. This means that the membership list stood at 275 as of this meeting. With the introduction of the FALRIP plan, the Secretary-Treasurer predicted that the membership list would exceed 300 by the fall 1996 meeting.

18.8.4 Report from the Coalition of Quebec Seniors / Coalition des Aînés

Geoff Adams provided a brief background on the Coalition of Quebec Seniors / Coalition des Aînés. This group represents more than 500,000 individuals coming from 21 pensioners' associations (e.g. Hydro Quebec, Quebec teachers, Quebec civil servants, CPR retirees, etc.). It is a loose coalition of groups that represent retired people. CUPA / ARUC is therefore a very small part of it. The Coalition is essentially a lobbying organization and this year presented three

position papers on pensions, on health and on housing. The Coalition operates out of the Golden Age Association on Westbury Ave. Other activities currently under way are: a World Wide Web site (as previously mentioned); Operation "Red Dot", sponsored by Pharmaprix, which will be a system to alert Urgences Santé people of medication and health requirements by displaying a red dot on fridge doors; active lobbying of the Quebec Government on changing the "Grand-parental Obligations" introduced under the revised Civil Code, as well as the announced changes in the health care system resulting in more day surgery and shorter hospital recovery periods (eg. the "virage ambulatoire" approach). In response to a request posed at the fall meeting to provide a list of services and discounts for seniors, Geoff suggested that rather than try to generate an exhaustive list, members would do well to join CARP (Canadian Association of Retired Persons) which publishes a monthly newspaper with all sorts of information on discounts, special deals and services for retired people. The cost is $10.00 per year. Finally, Geoff mentioned that Madeleine Graton would be joining him to represent the Association at the Coalition.

18.8.5 Chair's Report

The President thanked his colleagues for their reports and activities carried out on behalf of the Association. He commented that although the University considers us "inactive" members of the pension plan, it is evident that we are anything but inactive. Many of us are still active in teaching, research, writing, volunteering and travelling. Perhaps our designation should be changed to "still active" or "encore active" or simply "encores".

18.9 Establishment of Fees for 1996-97

It was moved by John Hall, seconded by Dagmar McDougall, that annual dues be maintained at $10.00. Carried unanimously.

18.10 Guest Speaker - Dr. Frederick Lowy, Rector and Vice-Chancellor

The President in welcoming Dr. Lowy to the meeting mentioned that, since the membership had followed Dr. Lowy's arrival on campus through reports in the media, the Thursday Report, his appearances on TV and radio and through various functions at the University, he really did not need to be introduced to the group. He felt that it would be perhaps more appropriate to introduce the group to him. While not introducing all present, the President introduced the founding members present (eg. Jack Bordan and Libby Gardham) and several of the present and former members of the Executive Committee.

Dr. Lowy commenced by stating that in the nine months that he had been here he had met with many groups and individuals and that CUPA probably completed the introductions. Dr. Lowy stated that it had been suggested that he might share his perspective of the University and its challenges as he had come to view them over the nine months he had been in the Rector's Office. The challenges he would address involved the economic challenges and the political challenges we all face in Montreal, Quebec and Canada.

The history of the current economic challenges had their roots in the expansionist periods of the '50s to the very early '80s. It was in this period that many of the present institutions of higher

learning established themselves in Canada. The Association of Universities and Colleges of Canada (AUCC) now has about 90 members. It was during this period that the Federal Government pumped a fair amount of money into the post-secondary education sector and by so doing they took over an area of provincial jurisdiction in the name of helping the country as a whole. Beginning in 1982 the federal-provincial transfers began to change character. Up until then the Federal Government had guaranteed each province a certain amount for post-secondary education. Over the intervening years the nature and amounts of transfers changed drastically. However what set the stage for the financial crisis we are now facing and will face in the next two years was that, in the federal budget of 1994, the nature of the transfer payments was changed by the Federal Government with just one "envelope" containing funds for health, welfare and post-secondary education. This allows the provinces to use these funds for any one of these three areas. In view of the political hazards of cutting health and welfare support, it is almost inevitable that the major reductions are going to take place in the third sector, post-secondary education. This scenario has occurred throughout Canada and Quebec is no different from the other provinces in this respect - in fact, Alberta and Ontario have made even deeper cuts to education than Quebec. This will have the effect of reducing federal funds and tax points (i.e. taxing capacity) and increasing provincial control over these funds and taxing capacity.

What does this mean to Concordia? Using the 1994/95 year, when the federal reductions started, Concordia had an operating budget of $200 million. In the current year (1995/96) we had to accommodate a $10 million cut. This was achieved in a rather painless fashion by Dr. Proppe. Over the next two years the cuts will be $12 million for 1996/97 and another $12 million for 1997/98. This represents a 17% budget cut over a 3-year period. There is no way that these kinds of cuts can be realized without affecting programmes and personnel.

What steps are being taken?

First - deregulation of fees. Quebec is the only province where post-secondary fees are regulated and have been frozen for years. All Quebec universities have asked for deregulation. This will provide universities with some room to manoeuvre in raising funds. For example, undergraduate fees are $1600 at Concordia and $3000 (average) in Ontario. With a student population of 26,000 (i.e. a full-time equivalent of 17,000) an increase of $1000 per FTE would generate $17m. of increased revenue. However, Concordia would be unwise to increase the cost so drastically since this would be inconsistent with one of our missions - to provide education to all who are capable but cannot afford high fees. Perhaps a more modest increase of $500 would be more in keeping with our mission.

Second - endowments and gifts. Although Loyola and Sir George have been graduating students for many years we do not have the alumni base that some of the older Canadian universities have, with generation upon generation of gifts and bequests to support them. As a result we have a modest $15m. endowment compared to the hundreds of millions some of the others have to rely upon. With an alumni base of 90,000 graduates we intend to develop these sources more fully to bolster these funds.

Third - FALRIP (Faculty and Librarians Retirement Incentive Programme). This is a voluntary programme aimed at the full-time faculty and librarians to encourage them to retire early. The Rector expressed the hope that the ranks of CUPA would swell as a result of this programme.

With salaries representing 82% of the operating budget, this plan would have a significant impact upon the reduction of the budget.

If these measures fail to generate the desired results, then there is little choice but to cut programmes and the salaries of those remaining. Concordia being heavily unionized, this means that the terms of the respective contracts have to be respected. This brings special problems.

All Quebec universities are entering a compression phase. Students in Montreal and throughout Quebec have a wide range of options in programme and course content. Many are duplicated in several institutions. Explorations towards the combining or sharing of programmes and services are taking place, with deans and directors meeting with their counterparts. While it is too early to identify what is feasible, this trend should become more evident. Currently we share several doctoral programs with the other Montreal universities. Similar arrangements could be made for programmes at the master's and bachelor's levels. As for the danger of this leading to any of the universities losing their identity or being merged, no evidence of this has ever come from either the Government or the other universities. Any discussions held to date have been between equals. We tend to serve different audiences. For example McGill is heavy on graduate work, we are heavy on undergraduate. Concordia serves part-time and mature students, McGill doesn't. We would not agree to disappear - we would do no favours to the anglophone and allophone communities if we did so. There is a need to focus on the task ahead, that is, to become smaller. All Quebec universities must do so in order to survive. As a result the Vice-Rector Academic (Jack Lightstone) has put into effect a planning process to establish criteria to evaluate programmes and departments. This will be a bottom-up approach with respect to the gathering of information and suggestions and a top-down approach with respect to the visioning of where we have to be. We are trying to do two things at once: long-range planning to achieve our overall objectives and short-term scrambling to meet the budget cuts imposed. We have to be careful to avoid short-term mistakes which will hurt long-range objectives. In addition we have a $35m. deficit to overcome as well. We have sent a plan to the Government which will clear the debt by 2004 provided there are no further budget cuts.

Under these circumstances we have to rejuvenate the faculty and the only way to hire new faculty is to free up salaries through retirements. Since Quebec does not have compulsory retirement for public-sector employees we cannot count on people retiring at age 65. All Quebec Universities have requested the Government to reinstate compulsory retirement for university professors. An end to guaranteed employment beyond age 65 would be preferable. That is, those who are needed could be asked to stay on, while others would have to retire, thus generating new positions and renewed faculty. The government is looking at the question of compulsory retirement but has done nothing to date.

What about the role of anglophone universities in Montreal when the anglophone and allophone communities may be shrinking? This is something that cannot be ignored. Up to now our clientele has been mainly from these two communities. Currently, 4% of our students come from the rest of Canada and another 4% from outside Canada. In contrast McGill has 30% of its population from outside the Province. Of the 92% of our population coming from inside the Province, 14% are francophone. This is an area of growth potential and steps are being taken to increase this percentage. In the period between his leaving Montreal and his return some 25 years later, Dr. Lowy stated that he had been struck by the fact that bilingualism within the

population had switched from the francophones to the anglophones. The French CEGEPs have not done a good job of teaching English to the francophone population. If these people are to be successful in working in the global community, they will have to be able to function in both languages. This is where Concordia, if it positions itself properly, can offer a service to francophone students that they would otherwise have difficulty in getting.

In discussing the pressures on the anglophone institutions in the face of a shrinking population base, Dr. Lowy made the following points:

> There will be room for two anglophone universities in Montreal. Although smaller, they will cater to different needs and constituencies.
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> For the first time in many years, a portion ($26m.) of the government grant for the operating budgets of the universities is left to the discretion of the Minister. This was a recent announcement and preliminary calculations indicate that Concordia may get about $800,000 less than it would have got under the previous formula. This is still to be verified.
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> He believes in a united Canada and Quebec's place within Canada and Montreal's place within Quebec. If Montreal continues to deteriorate then Quebec will also deteriorate and this will be to the detriment of the entire country. If Quebec leaves Confederation, then Canada would have a hard time. These are a few of the many reasons why Quebec should remain in Canada. If this is what we, as citizens, believe, we should not be reticent in expressing our opinions on this matter and Concordia should support this.

Jack Bordan thanked Dr. Lowy for his interesting presentation. He commented that the size of the budget cuts Dr. Lowy mentioned was close to the size of the entire university budget many years ago. Prof. Bordan then remarked that, as Dr. Lowy spoke, certain words came to mind that had been absent from this institution in recent years. Such words as "warm, sensitive, human, caring, open and frank" had given him the impression that the difficulties Concordia is facing will be well managed in such an environment. He also noted that it is gratifying to know that the Rector and the Vice-Rectors are talking to each other again, obviously due to Dr. Lowy's influence.

18.11 Other Business

Mary O'Toole seized the opportunity to wish Bruce English, a member of the Executive Committee, a "Happy Birthday" which was endorsed wholeheartedly by all present.

18.12 Next Meeting

The next meeting will be held on Thursday, Oct. 24, 1996 at 10.30 a.m. in Room H 767 (SGW Faculty Club Lounge).

18.13 Adjournment

The meeting adjourned at 12.15 p.m. on a motion by Henry Beissel.