

Memo: CUPE 116 Vacation Pay on Retirement; Vacation Pay for Auxiliary Employees (March 7, 2017)

Memorandum

Date: March 7, 2017

To: Managers and Administrators at the Vancouver campus in units with staff who are part of CUPE 116

From: Mike Vizsolyi, Employee Relations Manager; Linda McKnight, Director Human Resources, Advisory Services

CC: Human Resources Advisory Services; Joanne Young, Manager, Payroll

Subject: **CUPE 116 Vacation Pay on Retirement; Vacation Pay for Auxiliary Employees**

Vacation Pay on Retirement

The University and Union have reached an agreement on revising Article 16.08 of the Collective Agreement to modify the Vacation Pay on Retirement provision and eliminate the inequitable and random application of the benefit.

CUPE 116 filed a grievance arguing that, with the elimination of mandatory retirement, the University was now obligated to provide the unearned vacation entitlement set out in Article 16.08 to all retiring employees, irrespective of retirement date. That dispute was referred to arbitration by CUPE 116.

The University and CUPE 116 have resolved this dispute by agreement to replace the current Article 16.08 with the following provision:

An employee with ten (10) or more years' service with the University who is eligible for retirement under the provisions of the Staff Pension Plan shall receive, upon binding notice of retirement, an additional seven (7) days' vacation credit for the year in which retirement occurs.

This provision may only be accessed one (1) time in an employee's career and, should the employee return to employment at a subsequent time, the provisions of Article 16.07 would apply.

It is understood that the above provisions do not apply to employees who have been on long term disability for more than three (3) months immediately prior to their retirement.

The new provision is no longer attached to an employee's birth month or retirement date. Any CUPE 116 member who retires after accumulating ten (10) years' service with the University shall be eligible for this provision.

This change is effective April 1, 2017. Retirements prior to this date are subject to the current language of Article 16.08.

A full copy of the Memorandum of Agreement between the University and the Union setting out the terms of settlement is available [here](#). If you have any questions, please [contact](#) your Human Resources Advisor or Human Resources Manager for additional information.

Vacation Pay for Auxiliary Employees

During collective bargaining for the 2014 – 2019 Collective Agreement, the University and CUPE 116 agreed to new language for the treatment of vacation pay for Auxiliary employees:

16.06 Vacations – Part-time and Auxiliary Employees

It is agreed that Part-time and Auxiliary employees will enjoy the same vacation entitlement, on a pro-rata basis, as Regular employees. **Vacation pay shall be calculated and paid to Auxiliary employees semimonthly with their normal pay.**

The change means that Auxiliary employees will no longer have their vacation pay managed through a bank and will not be required to request vacation pay on a periodic basis. Their earned vacation pay will be paid out to them on their regular payroll deposit as part of the normal payroll cycle.

This change required system changes and is now ready for implementation. Effective April 1, 2017, Auxiliary employees will receive their earned vacation pay on each payroll deposit and there will be no further requirement to manage vacation pay banks. Existing banks will be paid out to Auxiliary employees by the end of May, 2017.

Vacation taken by Auxiliary employees should continue to be coded as Unpaid Vacation.

A copy of the current Collective Agreement between the University and the Union setting out the terms of settlement is available [here](#). If you have any questions, please [contact](#) your Human Resources Advisor or Human Resources Manager for additional information.

Human Resources

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MEMORANDUM OF SETTLEMENT

Between

The University of British Columbia

("University")

And

Canadian Union of Public Employees, Local 116

The Union filed a grievance (#2015-001) alleging that the University was in breach of Article 16.08 in its application of the term "normal retirement".

The parties discussed their respective interpretations of the application of the disputed portion of Article 16.08 through the grievance procedure, but were unable to resolve the matter.

The dispute was referred to arbitration by the Union. The arbitration commenced before Arbitrator Nichols on December 5, 2016 and the parties engaged in mediation with the assistance of Arbitrator Nichols.

In settlement of the grievance, the parties agree to a full and final settlement under the following terms and conditions:

1. To replace the current provisions of Article 16.08 with:

An employee with ten (10) or more years' service with the University who is eligible for retirement under the provisions of the Staff Pension Plan shall receive, upon binding notice of retirement, an additional seven (7) days' vacation credit for the year in which retirement occurs.

This provision may only be accessed one (1) time in an employee's career and, should the employee return to employment at a subsequent time, the provisions of Article 16.07 would apply.

It is understood that the above provisions do not apply to employees who have been on long term disability for more than three (3) months immediately prior to their retirement.

2. This language is agreed to as mid-term change to the Collective Agreement as per Article 3.05 of the Collective Agreement and is effective April 1, 2017.
3. The parties agree that the revised Article 16.08 forms part of a *bona fide* retirement plan under Section 13(3) of the *Human Rights Code*.
4. The parties agree that for any other use of the phrase "normal retirement" as it may occur it is deemed to mean the last day of the month in which an employee turns sixty-five (65) years of age.
5. Arbitrator Nichols remains seized of any dispute with respect to the implementation or operation of this agreement.
6. The Union withdraws the grievance.
7. This Memorandum constitutes full and final settlement of all claims and related matters.

For the University:



Mike Vizsolyi
Employee Relations Manager

December 10, 2016

Date

For the Union:



Dave Lance
President

Date

December 12/2016.