

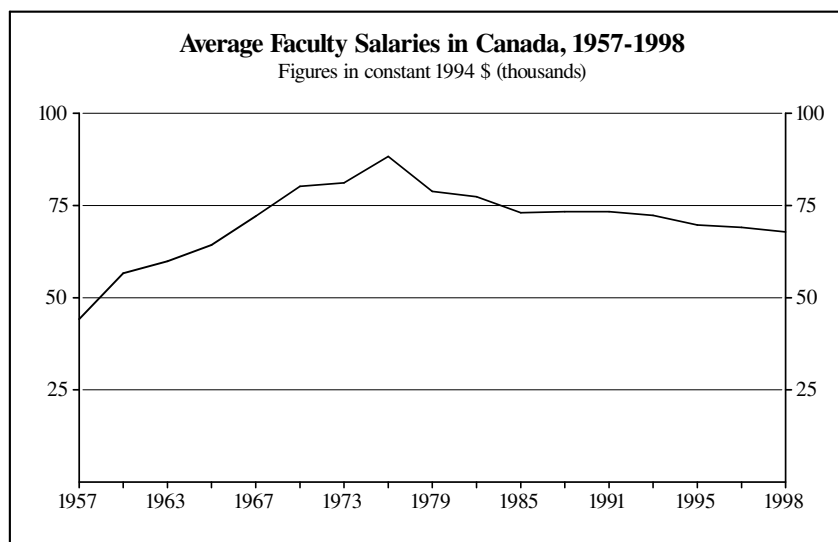
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Faculty Salaries in Decline

HERE'S a rare long-term look at the evolution of faculty salaries in Canada. The data are drawn from a compilation of Statistics Canada's University and College Academic Staff System (UCASS) data originally prepared by Ornstein, Stewart & Drakich,¹ which have been adjusted for changes in both CPI and average age of faculty. In this manner it roughly reflects the "experience of the system" over time rather than of any shifting aggregate of individuals occupying relative positions within the system. Perhaps more than any other occupation, salaries of academics are highly age-dependent and average salaries are particularly sensitive to changes in age distributions of faculty.

The data show that faculty salaries increased markedly from 1957 to 1970, when the great expansion of universities ended. During this period, which captures the final years of the post-war economic boom, average age of academics fell rapidly to a low of 39 in 1970, while earnings were increasing. Average real salaries adjusted for age then leveled off and have now decreased since 1976. The greatest period of decline was in the period from 1976 to 1985 as average age of faculty increased and salary adjustments fell well behind inflation.

The UCASS data confirm the trend first identified in the CAUBO data on univer-



sity expenditures and clearly identifies that declining faculty salaries and not just declining faculty numbers account for the continuous relative decline in faculty compensation since the early 1970s.

This has occurred as parties to salary negotiations have consistently over time bargained to divert an increasing share of compensation away from increases in the base rates, scales and reference points which define the

actual permanent salary system and instead towards individual components of compensation such as merit, experience, "market," and discretionary individual increments. As individuals benefitting most from these compensation components retire, the benefit "washes out" of the system, leaving behind only the consequently eroded permanent features. ■

1. Ornstein, M., P. Stewart and J. Drakich. "The Status of Women Faculty in Canadian Universities," *Education Quarterly Review*, Vol. 5, no. 2 (1998), pp. 9-29.

The article EM0001 reprinted above is used in Chapter 1 of the STAT 231 Course Materials.