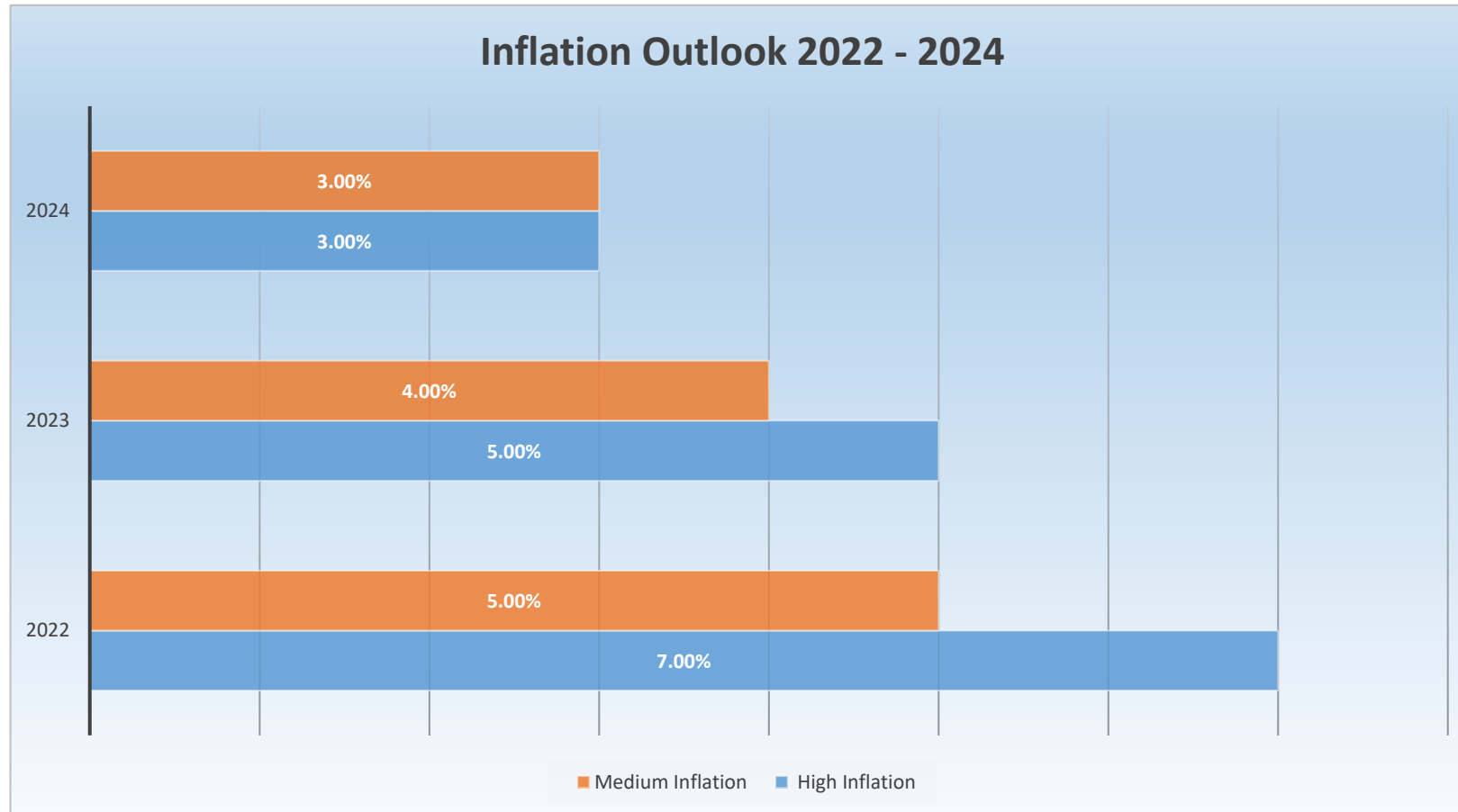


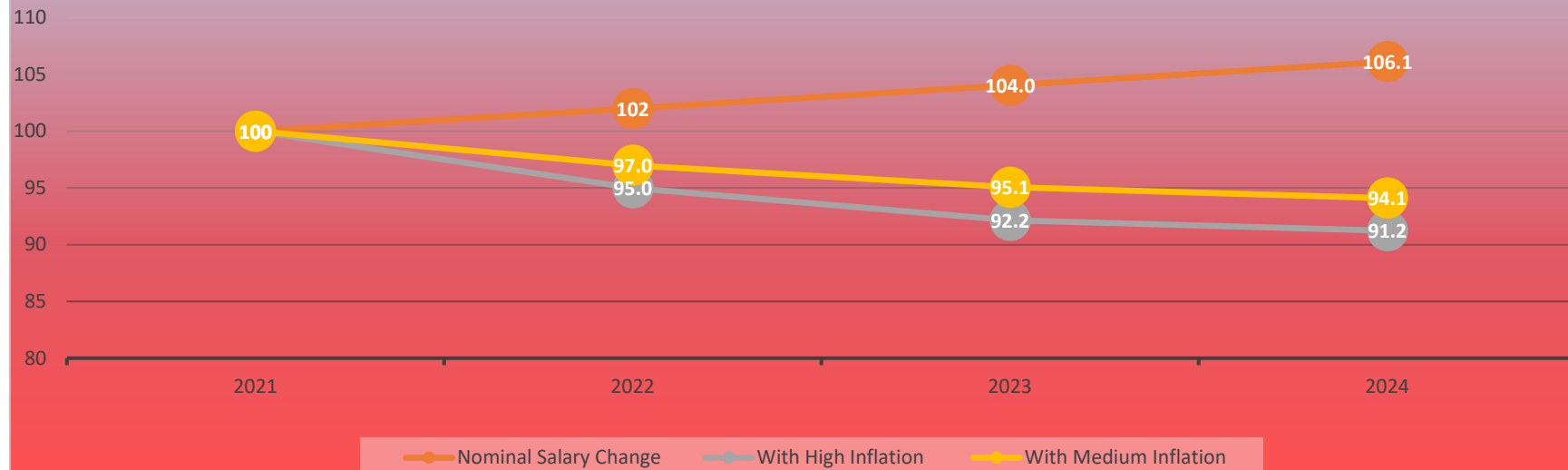
Effects of Salary Increase
Proposals and Inflation on
Real Purchasing Power of
Faculty Wages

Inflation Outlook 2022 - 2024



UA proposal of a 2% Salary Increase

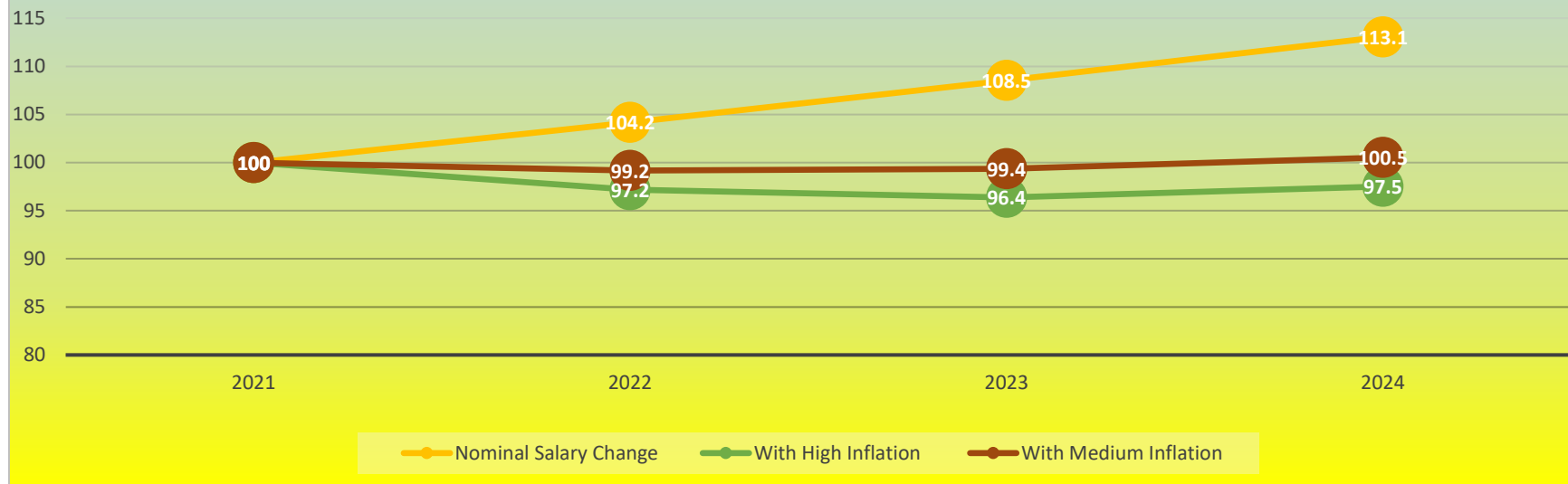
Purchasing Power Change of Faculty Salary with 2% Salary Increases 2021 - 2024



Year		2021	2022	2023	2024
Salary increases to base pay		0.00%	2%	2%	2%
High Inflation			7.00%	5.00%	3.00%
Medium Inflation			5.00%	4.00%	3.00%
Year		2021	2022	2023	2024
Nominal Salary Change		100	102	104.0	106.1
With High Inflation		100	95.0	92.2	91.2
With Medium Inflation		100	97.0	95.1	94.1
Includes salary Increases and Inflation					

3% + \$1000 to Base Salary Increase

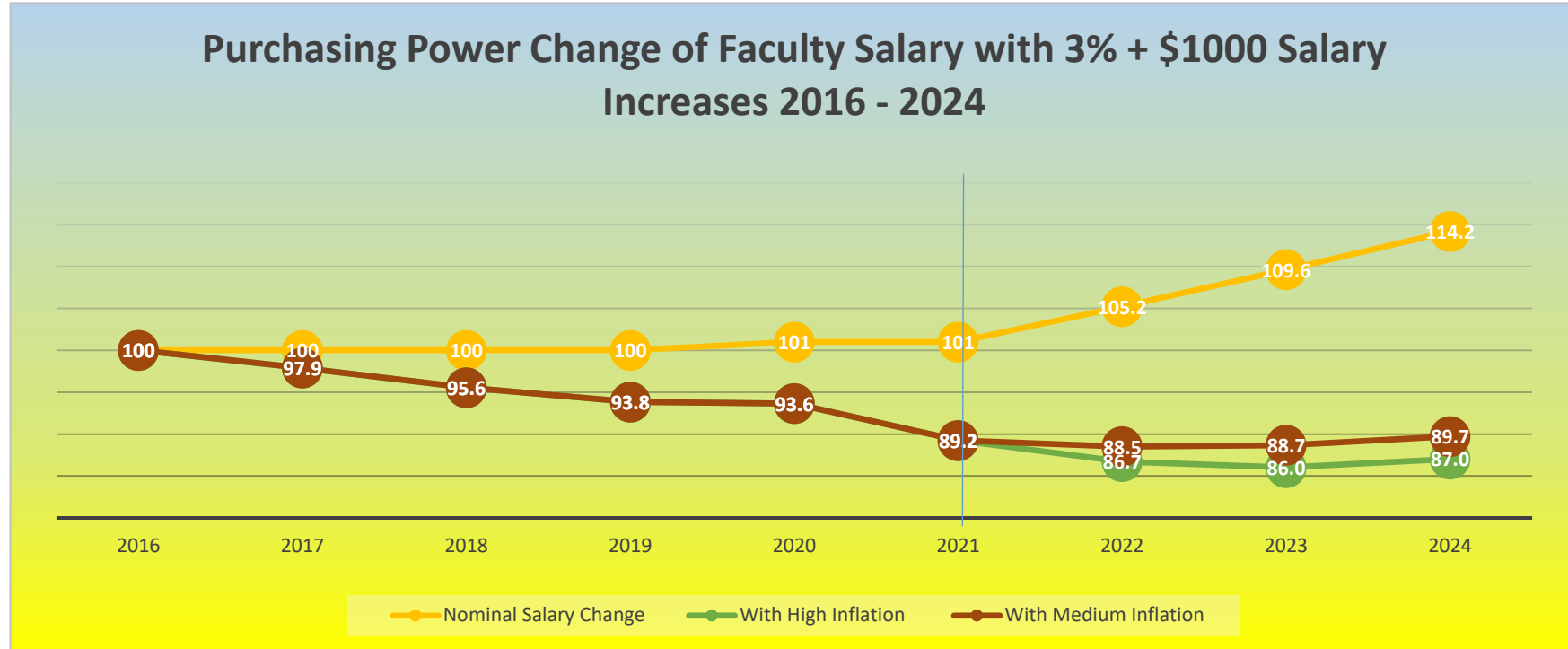
Purchasing Power Change of Faculty Salary with 3% + \$1000 Salary Increases 2021 - 2024



Year	2021	2022	2023	2024
Salary increases to base pay	0.00%	4.18%	4.18%	4.18%
High Inflation		7.00%	5.00%	3.00%
Medium Inflation		5.00%	4.00%	3.00%
\$1000 to base on a 85000 average salary equals 1.18%				
Year	2021	2022	2023	2024
Nominal Salary Change	100	104.2	108.5	113.1
With High Inflation	100	97.2	96.4	97.5
With Medium Inflation	100	99.2	99.4	100.5
Includes salary Increases and Inflation				

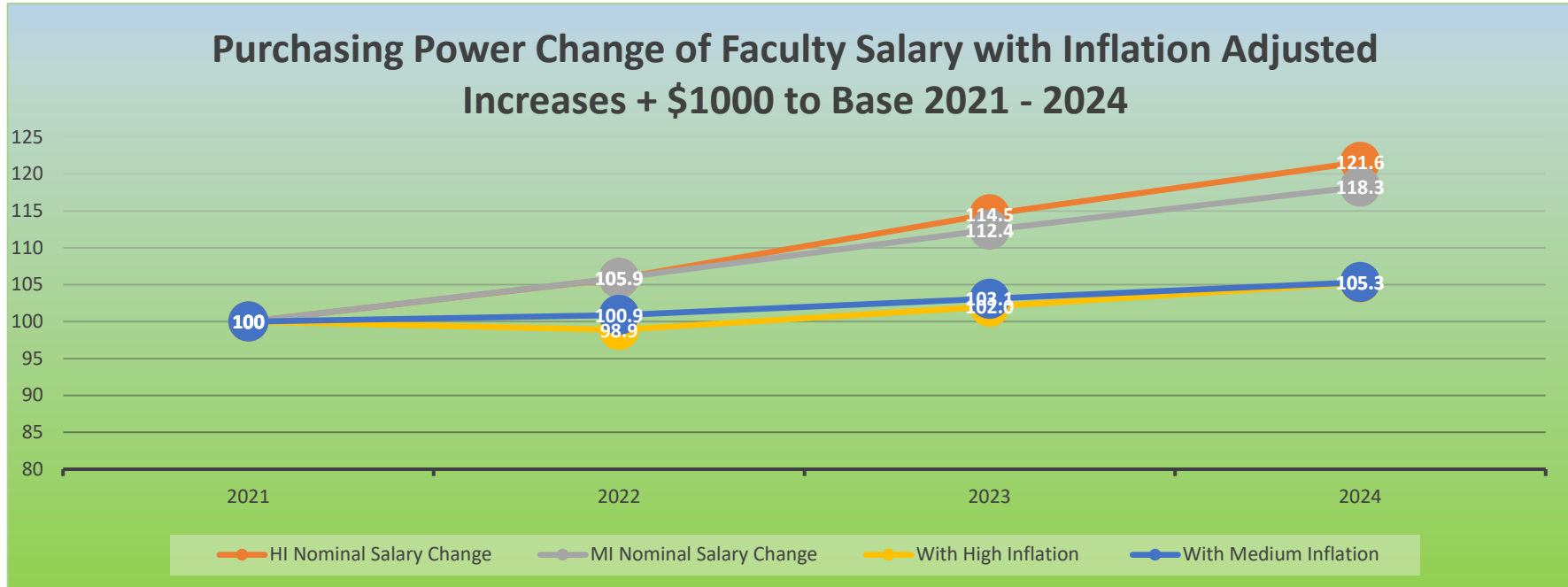
Long Range Effect 2016 – 2024

Purchasing Power Change of Faculty Salary with 3% + \$1000 Salary Increases 2016 - 2024



Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Salary increases to base pay		0.00%	0.00%	0.00%	1.00%	0.00%	4.18%	4.18%	4.18%
High Inflation		2.10%	2.40%	1.80%	1.20%	4.70%	7.00%	5.00%	3.00%
Medium Inflation		2.10%	2.40%	1.80%	1.20%	4.70%	5.00%	4.00%	3.00%
\$1000 to base on a 85000 average salary equals 1.18%									
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
Nominal Salary Change	100	100	100	100	101	101	105.2	109.6	114.2
With High Inflation	100	97.9	95.6	93.8	93.6	89.2	86.7	86.0	87.0
With Medium Inflation	100	97.9	95.6	93.8	93.6	89.2	88.5	88.7	89.7
Includes salary Increases and Inflation									

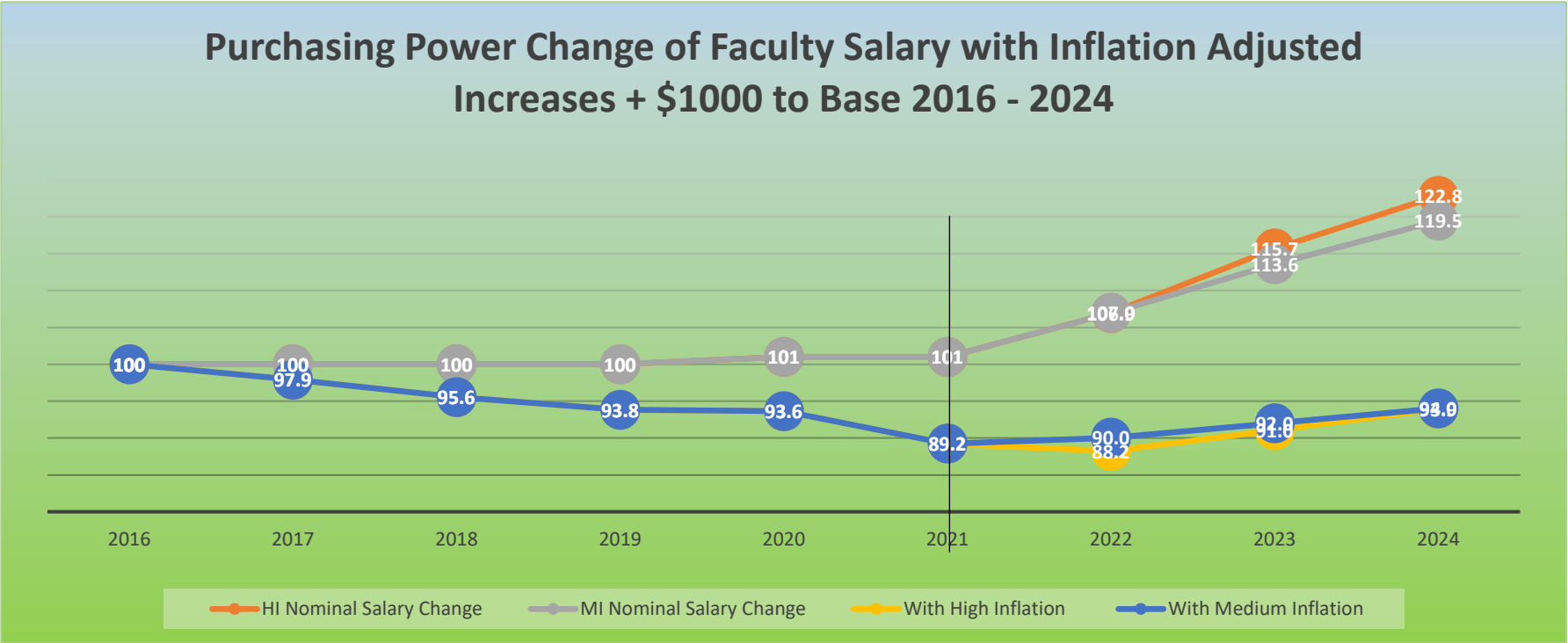
UNAC Proposal - Increase Equal to Last Year's Inflation (Min 3%, Max 7%) + \$1000 to Base



Year	2021	2022	2023	2024
HI - Salary increases to base pay	0.00%	5.9%	8.2%	6.2%
MI - Salary increases to base pay	0.00%	5.9%	6.2%	5.2%
High Inflation		7.00%	5.00%	3.00%
Medium Inflation		5.00%	4.00%	3.00%
\$1000 to base on a 85000 average salary equals 1.18%				
Year	2021	2022	2023	2024
HI Nominal Salary Change	100	105.9	114.5	121.6
MI Nominal Salary Change	100	105.9	112.4	118.3
With High Inflation	100	98.9	102.0	105.3
With Medium Inflation	100	100.9	103.1	105.3

Long Range Effect 2016 – 2024

Purchasing Power Change of Faculty Salary with Inflation Adjusted Increases + \$1000 to Base 2016 - 2024



Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
HI - Salary increases to base pay		0.00%	0.00%	0.00%	1.00%	0.00%	5.9%	8.2%	6.2%
MI - Salary increases to base pay		0.00%	0.00%	0.00%	1.00%	0.00%	5.9%	6.2%	5.2%
High Inflation		2.10%	2.40%	1.80%	1.20%	4.70%	7.00%	5.00%	3.00%
Medium Inflation		2.10%	2.40%	1.80%	1.20%	4.70%	5.00%	4.00%	3.00%
\$1000 to base on a 85000 average salary equals 1.18%									
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
HI Nominal Salary Change	100	100	100	100	101	101	106.9	115.7	122.8
MI Nominal Salary Change	100	100	100	100	101	101	107.0	113.6	119.5
With High Inflation	100	97.9	95.6	93.8	93.6	89.2	88.2	91.0	93.9
With Medium Inflation	100	97.9	95.6	93.8	93.6	89.2	90.0	92.0	94.0
Includes salary Increases and Inflation									

Conclusion

- Given the current inflation outlook for the next three years, the UA 2% salary increase proposal will continue the erosion of the real purchasing power, the faculty have experienced over the past 5 years. It paves the way to a potential slide to almost 80% of purchasing power compared to 2016 levels, which would mean a loss of almost 20% of inflation adjusted income.

- The current proposal from UNAC of inflation adjusted increases (with a min of 3% and max of 7%) plus \$1000 to base will stop the slide and start the recovery of purchasing power to potentially 94% of 2016 levels, which is still below 2016 levels of inflation adjusted income.