

Hi all,

As expected, the Ford government introduced wage cap legislation today. Please find attached OCUFA's news release as well as a link below to actions happening across Ontario on June 7 to mark the one-year anniversary of the Ford government's election. In addition, we have attached a copy of the draft bill. OCUFA President Gyllie Phillips will be participating a press conference tomorrow, organized by the Ontario Federation of Labour, along with a number of other provincial unions.

There are a number of things we now know based on how the bill has been framed. However, there are also a number of critical questions that remain unanswered and we will be looking to get answers in the coming days and weeks. At this point this is what we know:

1. The bill effectively caps across the board wage increases at 1% for a three-year period. The reference is to both wages and benefits so presumably any benefit enhancements would be offset against the 1% cap, as is the case in other jurisdictions with mandated caps.
2. As discussed the bill will radically alter the bargaining relationship between faculty and administrations. The bill captures most bargaining in the public sector, union and non-union, and explicitly includes universities as part of the legislation. There will likely have to be further enabling legislation to deem universities 'government agencies' in order to declare universities as part of the public sector since they currently only receive 35 percent of their funding from the government. In addition to the very real financial consequences for our members, it is ominous that universities would now be treated as government agencies. In all likelihood, that declaration will only be for the purposes of this legislation, but either way this legislation is a clear attack on university autonomy because it gives the Minister the power to take measures against any institution that does not comply with the mandate. We will provide you with more information about the measures the government intends to take in cases of non-compliance with the legislation, and our strategy to counter it through the process of collective bargaining.
3. At first reading, it would appear that salary increase related to seniority or step progression are excluded, so it would seem that PTR is not affected. Though we will be seeking clarification in the coming days to ensure that is the case.
4. The bill is framed so that pay equity settlements are excluded from the wage cap. However, there is no reference to merit pay or market differential salary increases.
5. There is a so-called 'catch up' language in relation to the cap. That is, language that stipulates that any deals just signed would automatically be subject to the cap in the next round of bargaining. In other words, all unions would be subject to three years of a deal capped at 1% per year, regardless of bargaining cycle. As expected, the legislation is intended to capture only one bargaining cycle as opposed to imposing a permanent structural change to bargaining. This would have implications for any legal challenge, making the measure temporary *may* make it less vulnerable to a challenge.
6. The legislation means the end of arbitrated settlements or interest arbitration around compensation or benefits. As crafted, arbitrators would not have jurisdiction to settle

disputes or make wards above the wage cap. However, the right to strike is not curtailed in the bill.

7. The legislation is silent on any offset for new pension plans, and the besides well documented attempt to alter compensation for members post 65 collecting pension and working full time, the budget bill is largely silent on pensions.
8. The trajectory of the bill through the legislature is not entirely clear but as expected, once passed, the bill would be retroactively enforced to today.

We will pass on further updates as they become available.

As discussed at the Board meeting, we are part of several coalitions with provincial labour and education unions in the sector. Given the broad jurisdiction of this legislation across the entire public sector, larger provincial unions are better placed to launch a legal challenge of the legislation. The core issue will be whether there is an urgent public policy justification for overriding the right to free and fair collective bargaining. While it is clear Ford is manufacturing a crisis to implement ideologically driven legislation, there is no certainty that a Charter challenge of the legislation would prevail. There are, however, important legal issues to canvass and we will be in ongoing dialogue with our coalition partners about the status of any legal challenge.

In the immediate term we will be focusing our attention on OCUFA member associations that are currently in bargaining or about to go into bargaining. Over the summer, we will also be developing a training module for those about to enter bargaining under this new regime. It is also important to note that although the legislation has been tabled, it has not been passed yet.

In terms of what members can do, I would refer you to the action kit discussed at the Board meeting to assist members in participating in local actions. There are also demonstrations planned across the province [for June 7 – the one-year election of the Ford government](#) – in a number of communities across the province. I would also encourage you to set up meetings with your local MPP, regardless of party affiliation, and convey your concern about this legislation. Please feel free to contact the OCUFA office if you would like support in setting up these meetings. Provincially, OCUFA will be pressing all of the opposition parties to publicly commit to repealing this legislation if elected in June 2022.

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