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PREAMBLE

*Read by Clark.*

*9 December 75.*

Union representatives have expressed concern that the University's negotiators were not communicating the Union's positions clearly to the University Administration. We can assure the Union that this is not the case. The University Administration is in close touch with its negotiators and is offering them its full support. The positions expressed in this brief, therefore, are not personal expressions by the University's Negotiating Committee, but represent the views of the University.

Moreover, as you know, support for the University's Negotiating team has also been expressed by the Chairman of the University's Board of Governors in his letter of December 5, 1975, to the Union. In this letter he states, "The Board on its part has confidence in the eminent fairness, expertise and frankness of Vice President Charles Connaghan and his members of the Negotiating Committee." He also states that the Board of Governors "are all aware of your requests and have supported President Kenny and the Administration unanimously in treating the October 9, 1975, offer of 19% as still in effect as it was made in good faith prior to the Wage and Price Controls, even though we may all be criticized for the same ..."

Contrary to the Union's surprising statement that "the University has in no way convinced us that the cost of our demand is a problem", the prospective cost of any wage settlement is, of course, a matter of considerable concern to the University. The University entered negotiations prepared to increase wages by an equitable amount, but having to recognize that any increase granted to members of A.U.C.E. Local I would affect the University's ability to meet its continuing obligation to provide higher

education for the people of the province and continued security for all University employees. Our difficulties were increased by the fact that we could not and cannot predict next year's operating grant from the Provincial Government. Despite these difficulties, however, in early October the University offered an increase of 14% from October 1, 1975, with an additional 5% on April 1, 1976, making a total of 19% increase.

Since the University made this offer, conditions have changed considerably. First, the Federal Government has announced its new wage and price guidelines, which the provincial Department of Labour has indicated to us will apply to this University under Bill C73 when the legislation is in place. Second, the Minister of Education has announced that universities may have a 15% ceiling imposed on increases in operating grants in the next fiscal year. Because of this, the University will have much greater difficulty in meeting all its obligations. Nonetheless, the University feels that it must stand by its October offer of a 19% wage increase for A.U.C.E. members, provided that this amount is approved by the Anti-Inflation Board, other tribunal or legislation which comes into existence to rule on such matters. Even so, to pay the amount we have offered will entail serious constraints in other areas.

Finally, the Union has expressed its "puzzlement ... that the University should be at all concerned about how we have chosen to group our classifications." We reject the Union's assumption that job classification is not the University's legitimate concern. We make this statement for two reasons. First, the University has the responsibility to carry on its operations with fiscal responsibility and as effectively as possible. In order to do this, a realistic and workable job classification

system is essential. We are willing to consult with the union and its members on this matter, and we have been doing so since November 1974, having met with union representatives more than thirty times on this matter alone. Moreover, we have indicated during the present negotiations that we are willing to continue discussions aimed at remedying any possible inequities in the classification system. While the University appreciates that a classification system should be acceptable to both the Union and the University, the University is, nonetheless, aware that it must bear the final responsibility for the fiscal, operational and academic consequences of any system. The second reason for the University's concern with classification is that it cannot be separated from wages. The two elements are inextricably tied together, as is evidenced, for example, by the fact that even the Union's reclassification proposal in itself involves a wage increase of approximately 10.5%. This was in addition to its demand for a 10% or \$100 increase, which represents a compounded wage increase of 12%. The total union demand thus represents an increase of 23.8% in wages alone. Since the University is a trustee of public funds, it must retain the fiscal responsibility which is automatically linked to classification decisions.