

Is Your Compensation Frozen?

An update from the Queen's Staff Union campaign

On June 4, Queen's Human Resources posted a document on its website entitled, "USW application, Bill 16 impact staff compensation." The USW and the Queen's Staff Union campaign would like to provide some clarifications.

USW's Application for Certification

The document from Queen's Human Resources states, "compensation will not change while issues arising from the certification application brought by USW earlier this year are being resolved. This means there will be no salary increases (step or scale)."

In fact, USW's application for certification does not prevent compensation increases prior to certification. During the application period, the *Ontario Labour Relations Act* provides a "statutory freeze." The university is not permitted to *unilaterally* change the terms or conditions of employment for staff. This provision is designed to provide a clearly identifiable point of departure for future collective bargaining and to prevent employers from altering employees' terms and conditions of employment in an effort to influence their decision about representation by a trade union.

However, the *Act* explicitly allows changes during the application period "with the consent of the trade union." If Queen's Administration wishes to make positive changes to current staff compensation or indeed to other terms and conditions of staff employment, the USW is ready to receive any such proposals and would engage affected Queen's staff to help assess them. This could be done in advance of eventual comprehensive collective bargaining.

The issue is not the USW application for certification, but the university's apparent position that no salary increases will be provided.

Bill 16 and Staff Compensation

The Government of Ontario introduced Bill 16 the day after the provincial budget. It encompasses the provincial government and institutions funded by the provincial government, including universities, but it does not impose a compensation freeze on all employees.

The legislated two-year compensation freeze applies only to employees whose compensation is not negotiated collectively by an employee organization. Exempt from the freeze are employees covered by unions and employee organizations that have collectively bargained terms and

conditions of employment relating to compensation which have been implemented by the employer.

Bill 16 also explicitly allows all employees, even those to whom the freeze applies, to receive step increases (within an existing pay range) during the freeze.

Bill 16 respects employee compensation plans provided for in existing collective agreements, such as those of QUFA and CUPE at Queen's, as well as compensation agreements such as QUSA's. The government has asked all employers covered by Bill 16 to negotiate two-year compensation freezes with recognized employee groups when current agreements expire.

While Queen's may attempt to negotiate a freeze, the outcome of negotiations is not preordained by Bill 16. As Queen's June 4 document acknowledges, "If a bargaining unit is certified, new terms negotiated and ratified by the University and USW as part of the first collective agreement would take effect."

The provincial government suggests that it will not transfer funds to universities to cover any compensation increases negotiated beyond existing agreements. However, it is unclear how such a policy could be implemented. Provincial transfers to universities are based not on employee compensation, but on the number of students enrolled.

Bill 16 contains no specific formula for restricting transfers. In its June 4 document, Queen's administration notes that it needs "further information from the Ontario government about Bill 16." The Queen's 2010-11 Budget Report, released well after Bill 16, assumes a 2.5% increase in employee compensation costs.

Even if the provincial government were to restrict transfers to Queen's, these transfers account for only half of the university's budget. Rising tuition revenues and rebounding investment income would still allow Queen's to fund staff compensation improvements.

Conclusion

Neither USW's application for certification nor Bill 16 has frozen staff compensation at Queen's.