



**MINISTER OF  
FINANCE**

Legislative Building  
Winnipeg, Manitoba, CANADA  
R3C 0V8

August 18, 2020

Office of the President  
Room 202 Administration Building  
66 Chancellors Circle  
University of Manitoba (Fort Garry campus)  
Winnipeg, MB R3T 2N2

Dear Dr. Benarroch,

I write to confirm government's COVID-19 driven mandate concerning anticipated collective bargaining with your professional colleagues from the University of Manitoba Faculty Association (UMFA). Specifically in the context of the upcoming "wage reopener" negotiations for the 2020/21 year, as contemplated for the 4<sup>th</sup> year of the current collective agreement.

You will appreciate that I do so pursuant to government's traditional role – spanning several decades – in setting broad monetary collective bargaining mandates for employers within the public sector. While government does not participate in actual collective bargaining (except in the small number of settings where it is the employer), this function reflects one of government's core duties as the overall steward of public funds – a critical and overarching responsibility entrusted to its care by the people of Manitoba.

The "wage reopener" context is somewhat unusual, representing the "to be determined" framework the parties agreed upon during bargaining for the last year of the current 4 year collective agreement term. Of course no one could have predicted this three years ago, but the subject 4<sup>th</sup> year, 2020/21, falls within the height of the global COVID-19 pandemic.

These unprecedented pandemic circumstances have challenged all levels of government, as necessary public expenditures for public health, safety and protection, and economic supports, have all risen dramatically. At the same time, government continues to deal with falling overall revenues, as the deep impacts of COVID-19 occur over both the short and medium term.

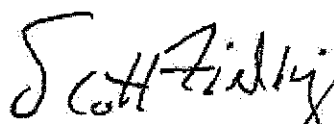
All Manitobans continue to meet the many challenges caused by COVID-19, as they act in the larger public interest. Government acknowledges and appreciates the joint efforts of public sector employees and their unions, as they work with employers and government to address our shared concerns. These voluntary actions are part of the all-hands-on-deck approach adopted province-wide during these difficult times, as government seeks to avoid layoffs while keeping taxes low.

In the interests of maximum clarity and transparency regarding the UMFA wage reopener bargaining process, I therefore confirm government's expectation that no compensation increases occur during the 2020/21 year. Moreover, in light of the modest workforce expenditure reductions already made voluntarily by the University's other bargaining units, I confirm that workforce expenditure budgetary reductions of 2.5% respecting UMFA should be achieved flexibly, in a manner mutually acceptable to UMFA and the University.

I trust this letter openly addresses government's thinking in the truly extraordinary environment in which we all now operate. Government officials working within the public sector compensation environment can follow up with the parties as required.

Lastly, to all critical stakeholders and their members – including UMFA of course but also the broader University community – we again extend our appreciation as everyone works to address our collective challenges and shared responsibilities.

Sincerely,

A handwritten signature in black ink that reads "Scott Fielding". The signature is written in a cursive style with a large, sweeping flourish at the end of the name.

Honourable Scott Fielding

c. Michael Shaw, President, University of Manitoba Faculty Association