

## Via Email and Regular Mail

June 26, 2014

Mr. Craig Bromell  
President  
The Building Union of Canada

Mr. John Moszynski  
Senior General Counsel  
Carpenters' District Council of Ontario

Dear Sirs:

### **Re: BUC/McMaster University - Collective Bargaining**

We have received the union's application to the Ministry of Labour for the appointment of a conciliation officer. The University will be making no objection to the union's application. We are entering into conciliation in good faith and hope we are able to reach a resolution.

McMaster and the Building Union of Canada have been negotiating for approximately seven months and unfortunately we have been unable to come to an agreement. Over the course of our negotiations, the union has stated its priorities and the University has made proposals that attempt to meet those priorities within McMaster's financial realities. Our proposals have offered a number of options which would have meant:

- Increased wages for every employee in every year of an agreement
- Wages in excess of the Living Wage in Hamilton for every employee.

The University has not asked employees to give back any benefits they currently have.

The union has insisted that it also needs significant enhancements to a wide range of benefits including, time off with pay, more paid sick leave, and new benefits provisions. The combined costs of these demands, in addition to the union's demands on wages, are very high and well above the final offer the University presented to the union in January. Despite the University's efforts to find a solution, the union's last proposal was 35% more costly than the proposal the union presented before it. This is the second time this backward movement has occurred since negotiations began, a highly unusual union decision within normal collective bargaining that has only widened the gap between the two parties.

As you are fully aware, applying for the appointment of a conciliation officer is the first step in the process under the Labour Relations Act that would permit the employees of the bargaining unit to legally strike, which can occur 17 days after the conciliation officer releases his/her "no board" report.

We regret that we find ourselves in this position. The University has to now explore its options. McMaster's core missions are teaching and research and we must ensure that our resources are focussed on these areas of the University.

When we began our negotiations last fall, the University discussed with the union its contingency plan. The plan is multi-faceted and includes the potential to contract out the cleaning services at the University, which would lead to the permanent loss of jobs. This is not our preferred course of action. We have been clear all along that such a step would only occur if we couldn't arrive at a fair and equitable deal through the bargaining process.

We continue to be committed to all reasonable attempts to reach a competitive agreement. We have demonstrated this through our commitment to the bargaining process over the past seven months and our diligence in attempting to find contract solutions to meet the priorities set out by the union. Through the conciliation process, the University will continue to bargain in good faith and make every effort to achieve a tentative agreement that is reasonable for both parties. The University also recognizes that its duty to bargain in good faith will continue even if that goal cannot ultimately be reached.

This is a serious matter. For that reason, we will be providing each employee in the bargaining unit a copy of this letter and it will also be published on the University's website. We want to be transparent and it is important that each employee has an opportunity to engage both the union and the University in a discussion about these matters and to fully understand the implications and importance of the conciliation process.

Sincerely,

Geoff Tierney  
University Counsel &  
Director, Employee/Labour Relations  
Office of Legal Services &  
Human Resources Services

cc University Bargaining Team  
BUC Bargaining Team  
Bargaining Unit members  
VP Administration