

NEWS & VIEWS

DECEMBER 2009

University Finances: The Bottom Line

On October 15, University of Manitoba President David Barnard held a Town Hall meeting on campus in which he warned that the University is facing financial pressures that he hopes to solve, in part, with two projects – ROSE (Resource Optimization and Service Enhancement) and OARs (Optimizing Academic Resources) – that will enhance programs, avoid duplication, and control costs. The urgent need for ROSE and OARs was justified by Dr. Barnard in large part by reference to a \$36.4 million dollar base level budget shortfall.

Here is how that number was generated. The Council on Post Secondary Education (COPSE) requires the university to submit a base level budget regarding the upcoming year's expenditures. The base level budget assumes that the university will maintain the current year's level of programming, services, and capital expenditures, and in general that there will be no increases in external revenues (e.g. no increase in the COPSE grant, no increase in tuition fees). The normal levels of inflation for all expenditures are applied as are

other estimated increases, e.g. salary increases, increases in benefit costs. The result is projected expenditures that have always been in excess of the revenue, i.e. a base level budget shortfall. In spite of this, the figures at the end of the financial year have always shown that the university has at least broken even.

The table below shows the projected base level budget shortfalls for the past several years along with the actual outcome for each of those years (actual results for 2009-2010 and 2010-2011 are still unknown). The actual operating income is the difference between revenues and expenditures and represents the surplus left over at the end of the year.

Each year, the base level budget shortfall is projected to be substantial and, with one exception, the amount of the projected shortfall grows every year.

The shortfalls from past years have not materialized largely because there have been

(Continued on page 2)

COPSE projected base level budget shortfall vs. actual operating income 2004 -2011

Year	Projected base level budget operating income (negative indicates projected funding shortfall)	Actual operating income (year-end surplus)
2004-05	-9,929,000	53,000
2005-06	-13,099,000	296,000
2006-07	-18,213,000	44,000
2007-08	-17,966,000	37,000
2008-09	-25,406,000	17,000
2009-10	-28,274,000	?
2010-11	-36,431,000	?

IN THIS ISSUE:

- 2
 - Post-Secondary Education: How Much of a Priority?
- 3
 - Milner Memorial Award on Academic Freedom Recognizes 16 from United College
 - The CAUT Benefits Trust
 - Holiday Wishes and Office Hours
- 4
 - Keeping Your Workplace Safe
- 5
 - Executive Council 2009-2010



University of Manitoba
FACULTY
ASSOCIATION
100-29 Dysart Road
Winnipeg, MB R3T 2M7
(204) 474-8272
faum@umfa.ca
www.umfa.ca

University Finances: The Bottom Line

(Continued from page 1)

annual increases in the COPSE operating grant over time. The Manitoba government is in better financial condition than many other Canadian provinces at this time and so could choose to provide some increase in the operating grant for the 2010-2011 year.

The university administration knows that the \$36.4 million shortfall is artificially high and that the shortfall will be much less than that. For example, they are expecting that there will be an increase in the COPSE grant, and an increase in tuition fees. In addition, there are likely to be at least a couple of expenses that will turn out to be lower than budgeted. The most obvious is a provision for the administration to make a \$12.5 million special contribution to the University's pension plan, based on the December 31, 2008 actuarial valuation. The actual contribution will be based on the December 31, 2009 valuation. The pension fund assets have earned 17.2% between January 1 and September 30 of this year, well above the 6% benchmark annual return assumed by the actuaries. If these returns hold or continue to improve for the rest of 2009, the special contribution is likely to be substantially less than \$12.5 million, perhaps \$7 million or less.

Meetings have been held in academic units regarding the interim report of PriceWaterhouseCoopers on the ROSE project. The message about the base level budget shortfall (\$36.4 million), including an additional payment towards reducing pension deficit (payment of \$12.5 million), is still being sent. These numbers are being used as a rationale for reducing services, including the likely layoff of university employees. A hiring freeze has been implemented. Faculties have been asked by the central administration to make additional cuts in expenses of 5 per cent, a disastrous amount given that funds were stretched to the limit prior to this year.

A projected base level budget shortfall remains, the exact amount unknown, but this has been the situation in previous years as well. As much as there must be caution regarding expenditures, there must also be great reluctance to make cuts which will have a major impact on the quality of education at the University of Manitoba.

If you wish to review the university's submission to COPSE, it can be found at: http://www.umanitoba.ca/admin/vp_admin/media/estimates_2010_2011.pdf

Post-Secondary Education: How Much of a Priority?

The Canadian Association of University Teachers participated as a sponsor in a recent Decima poll on post-secondary education conducted in November, 2009. Based on public sentiment there are both some hopeful signs and some potential storm clouds on the horizon.

On questions related to strategies to improve the economy, 37% agreed with investing more in education and research, up from 18% a year earlier. The support for infrastructure spending had declined in the most recent poll whereas support for tax reduction was up slightly from 17% in 2008 to 23% in 2009. On a more specific question, 55% supported increased spending on post-secondary education (PSE) even if taxes had to be raised whereas 33% disagreed. Seventy-six percent felt PSE was more important than ever; however, 47% felt that the quality of education was suffering as a result of

funding problems (37% disagreed). About half of these survey respondents supported reductions in tuition, and 54% said government was not doing enough to support PSE (28% disagreed).

Although these results demonstrate public support for PSE, there is also growing unease about the deficit and economic concerns. Although the federal government is committed to a balanced budget by 2014 with no increase in taxes, this poll strongly suggests that cuts to post-secondary education funding would be unpopular with the Canadian public. UMFA will continue to advocate at both the provincial and federal levels for not only maintaining but increasing funding to PSE, and we strongly encourage our Members to do the same with their local Members of Parliament and Members of the Provincial Legislative Assembly.

Milner Memorial Award on Academic Freedom Recognizes 16 from United College

In 1958 Harry Crowe was fired from United College (now the University of Winnipeg) for writing a letter to a colleague that criticized the Board of Regents at the College. The letter which had been stolen from its intended recipient's mailbox by the administration led to an academic freedom investigation launched by the newly formed Canadian Association of University Teachers (CAUT). The investigation was conducted by Bora Laskin, who was to go to become a Chief Justice of the Supreme Court of Canada. The report confirmed that the college administration had violated Harry Crowe's right to academic freedom. In a remarkable act of solidarity at the time of his firing, 16 of Harry's

colleagues resigned from the college.

After more than 40 years these 16 individuals were recognized for their courage and commitment to the principle of academic freedom as recipients of the Milner Memorial Award at the November 2009 meeting of CAUT Council. A number were present to receive the award in person, and in several other cases family members accepted the award on behalf of those who were deceased.

As one of the surviving spouses of the 16 noted in a letter to Jim Turk, "A job is a job; you carry your principles with you for the rest of your life."

The CAUT Benefits Trust

On November 9th of this year, at UMFA's invitation, Neil Tudiver, Assistant Executive Director of the Canadian Association of University Teachers (CAUT) made a presentation to representatives from several unions and Faculty Associations on the newly formed CAUT Benefits Trust. The Trust which is to be managed through CAUT could administer a variety of different benefit programs for its members in a manner that would give members more direct control over the nature and scope of these benefits. Unions negotiate with the university the amount of employer contribution that would be forwarded to the Trust and any changes in that amount would be subject to further negotiation. A proportion of the reserve fund associated with the

particular benefit plan would also need to be transferred to the trust. The proportion is relative to the numbers of employees now covered by the Trust for that particular benefit plan. Pension plans typically stay with the university, especially if there is a defined benefit component.

Enrolment in the CAUT Benefit Trust is open to all campus unions, not just faculty associations. There was significant interest in the concept at the meeting and a commitment to further explore the potential advantages of this type of arrangement.



On behalf of the UMFA Staff and the Executive Council, I would like to extend Seasons Greetings to all and to wish you a restful holiday break. Please note that the UMFA Office will be closed for the holiday season on Tuesday, December 15, 2009, and will re-open on Tuesday, January 5, 2010.

Brad McKenzie, UMFA President

Keeping Your Workplace Safe

Tom Booth



Under Manitoba workplace safety and health legislation, UMFA Members have the right to know about hazards in their place of work; the right to participate in safety activities including training and information sessions, and in the work of departmental and Local

Area Safety and Health committees (LASH), etc; the right to protection from discrimination related to workplace safety and health “whistle blowing” and the right to refuse dangerous work. However, it should be noted that refusal to do work may result in a loss of pay in certain circumstances.

With these rights under law comes the responsibility to exercise reasonable care in protecting personal safety and the safety of co-workers, particularly supervised individuals. Work must be conducted in accordance with established and practiced safety rules. Personal protective equipment must be properly used and adequately cared for. Cooperative work with departmental and LASH committees, including an immediate report of accidents, injuries, or unsafe working conditions on appropriate forms provided by the Environmental Health and Safety Office (EHSO), are required.

In the first instance, completed reports should be sent to the Department Head, Dean/Director, and LASH committee of record. More importantly, there is legal requirement that the report be tendered to EHSO and the Co-Chairs of the Workplace Health and Safety Advisory Committee (WHSAC) through the EHSO or to the Chairs individually. The names of the Co-Chairs are available at: http://www.umanitoba.ca/admin/human_resources/ehso/geninfo/hscommittees.html under The University/Administration/Vice-President (Administration). In the event of a serious incident (including uncontrolled spills of toxic, corrosive or explosive substance; explosion, fire or flooding; collapse of either permanent or temporary structures), injury or death, a report to the Workplace Safety and Health Division of Manitoba Labour (945-3446) is required.

Specifically, in the event of accidents or “near misses”, it is crucial that a report on web based EHSO forms obtainable at: http://www.umanitoba.ca/admin/human_resources/ehso/occ_health_comp/aiwcb.html (under the heading “Accident Reporting and Worker’s Compensation”), be made. Concomitantly an investigation of the incident should be underway or immediately initiated. Again incidents include: personal injury, occupational illness, fires and/or explosions, property and equipment damage and near misses, which might have resulted in loss. Reports are to be completed by supervisory personnel (Department Heads, Deans, etc.) in cooperation with the affected individuals experiencing loss or near loss. If injury occurs, you should report it to your Department Head or Dean/Director immediately and seek medical attention if required. This supervisor is required to report any injury requiring medical attention to the EHSO.

Any unsafe working conditions and hazards noted by any individual should, in the first instance, be reported to appropriate and applicable supervisory personnel or facility managers. The manager of EHSO (474-6633) should also be informed of the situation. Further, any dangerous working environments should be brought to the attention of emergency management personnel (272-1505) allied to the office of the Vice-President Administration. The chairs of the departmental safety and health committee or LASH committee and the UMFA Workplace Safety chair (through the Executive Director 474-8282), as well as your constituency’s elected member of the UMFA Board of Representatives, should also be informed.

Recognition and communication of hazards is critical to building and maintaining a safe and secure workplace. Although the provincially legislated joint union/management WHSAC in place here at the University of Manitoba and LASH committees have an important role in

(Continued on page 5)

Keeping Your Workplace Safe

(Continued from page 4)

identifying hazards, your notifications and advisories founded in direct workplace experience are an invaluable basis for timely and effective identification and control of workplace hazards. Based in good part on your input, the EHSO works with WHSAC to recommend centralized programs and actions, including advice, consultation, training related to specific hazards, as well as to consider possible strategies to mitigate identified hazardous conditions on the UM campuses. To these ends, the EHSO actively communicates vital information about hazards and appropriate actions on its website: http://www.umanitoba.ca/admin/human_resources/ehso/geninfo/newsbulletins.html. Further communication, notification, and advisories pertaining to hazards are sent from the office of the Vice-President Administration, wherein lies administrative responsibility in dealing with accidents, emergencies, and disasters.

When concerns related to a hazard(s) are raised, you should expect to have them mutually addressed and a satisfactory solution worked out so that your work, and that of others, can continue in a safe and secure way. The EHSO should help in seeking a remedy and provide information on the technical

and policy matters related to the hazard(s) of concern. The EHSO will also set up and participate in a joint inspection of hazardous locations, facilities, or equipment. Should a workplace safety complaint be received anonymously, the EHSO will maintain confidentiality and report the raised concern to the appropriate Department Head or Dean/Director.

In conclusion, you should work knowing: 1) the hazards and potential hazards in your workplace; 2) that the protective equipment and facility required to do your job safely and securely is provided; 3) that you are trained to do your work safely; 4) who to contact to address your workplace concerns; and 5) where to call in case of emergency. You should seek information from your Department Head and/or Dean/Director so as to be secure in this knowledge. It is the duty of your employer and its administrative supervisory agents to provide a safe and secure workplace.



2009-2010 EXECUTIVE COUNCIL

President

Brad McKenzie *Social Work*

Vice President

Cameron Morrill *Accounting & Finance*

Past President

Brenda Austin-Smith *English*

Treasurer

Pat Nicholls *Libraries*

Executive Secretary

Tommy Kucera *Mathematics*

Grievance Officers

Sharon Alward *School of Art*
Ed Bruning *Marketing*

Members-at-large

Tom Booth *Biology*
Mark Gabbert *History*
Sandra Kouritzin *Education CTL*

UMFA STAFF

Linda Guse, Executive Director
Barbara Yapps, Professional Officer
Louise Hébert, Administrative Assistant
Jettie Zwiép, Administrative Assistant