

**Ministry of Government Services**

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Ms. Bonnie Patterson  
President and CEO  
Council of Ontario Universities  
180 Dundas Street West, Suite 1100  
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Mr. Sheldon Levy  
President and Vice Chancellor  
Ryerson University  
350 Victoria Street  
Toronto, Ontario M5B 2K3

Dear Bonnie and Sheldon:

I am writing to address a concern that has emerged in the university sector, arising from some of the conversations that have followed Minister Duncan's presentation to public sector employers and unions earlier this week.

In particular, we have received a number of questions relating to the timeframe for the public sector compensation policy framework. I would like to reiterate that, as articulated in the Ontario Budget and in many subsequent forms of communication, this framework confirms that existing collective agreements will be respected. It also sets out an expectation that, upon expiry of existing agreements, public sector employers and unions will be expected to seek agreements that include two years of no net increase to compensation.

As you are aware, there have been questions about whether these expectations extend beyond the two year time frame. We believe these questions have arisen given the briefing on the province's fiscal plan to return to balanced budgets by 2017-18, which includes the assumption of restrained public sector expenditure growth during this period. The policy statement from the 2010 Budget sets out that the government expects that newly negotiated collective agreements will consist of two years of no net increase to compensation. At the same time, we should all recognize that the fiscal plan forms an important part of the context for employers and unions considering longer term agreements.

We look forward to working with you and other members of the university community in the consultations being convened to discuss this framework.

Sincerely,

*Original signed by*

David Logan  
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Tim Hadwen  
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c: Nancy Naylor, Assistant Deputy Minister, Postsecondary Education, Ministry of Training, Colleges and Universities