

Memorandum 21:06

Date: February 4, 2021

To: Local, Provincial and Federated Associations

From: David Robinson, Executive Director

Re: **Laurentian University**

Laurentian University received insolvency protection under the *Companies' Creditors Arrangement Act* (CCAA) on February 1. This is, as far as we are aware, the first time a public university has declared and been granted insolvency protection by the court. Quest University, a private institution whose academic staff are affiliated with the Federation of Post-Secondary Educators of BC, began the process under the CCAA last year.

The court order triggers a process whereby all creditors and stakeholders, including the Laurentian University Faculty Association (LUFA) and other campus unions, will enter negotiations aimed at reaching a plan to ensure financial stability.

For years, our colleagues at Laurentian have suffered under poor administration. LUFA has over 100 active grievances, 1 ongoing unfair labour practice complaint and recently CAUT agreed to support the legal costs of a judicial review of the *University Act* as a result of governance violations.

The lack of transparent and accountable institutional governance, financial mismanagement, recent cuts by the Ontario government, and the long-standing erosion of public funding for post-secondary education are factors that have led to the current moment. How LUFA members can be protected through the anticipated restructuring is of critical importance – for academic staff, students, and Indigenous and francophone minority access to post-secondary education in Northern Ontario.

CAUT will be supporting LUFA to ensure it gets the legal, financial, political and communications support it needs to ensure the best possible outcomes from the CCAA process while holding senior administrators to account for a track record of poor financial management.

With financial support from CAUT, LUFA has engaged legal counsel from Goldblatt Partners LLP with expertise in supporting workers through similar situations, notably the Air Canada insolvency.

The best outcomes, however, will not come without political pressure. The Ontario Confederation of University Faculty Associations (OCUFA) will be lobbying the provincial government to intervene. CAUT will be pressing the federal government to provide better support for Laurentian given the University's critical role in supporting French-minority and Indigenous education. We will also support LUFA to hold administrators to account and amplify LUFA and OCUFA in their efforts provincially to ensure that the University emerges from this moment with strengthened collegial governance, and stronger and predictable public funding.

CAUT will continue to keep members apprised of this situation and identify opportunities to express your solidarity.