

October 7th, 2010

Dear Sisters and Brothers:

Re: **Ontario Net Compensation Freezes**
Officers Update to CUPE members

The "consultation" process initiated by the Ontario government to discuss their policy of no net compensation freeze which CUPE, CUPE Ontario and OCHU, as well as, a number of other unions, participated in appears to be coming to an end.

Working from the mandate received from CUPE Locals on August 25th and 26th, your National and Division Officers, CUPE Ontario Division Executive, sector leaders and senior staff participated in talks with the province that began on August 30th.

While declining to engage in any form of bargaining, we systematically presented a wide range of detailed proposals that would sustain and strengthen public services and, in many cases, do so at reduced cost to the public. It was noteworthy that on a number of occasions the employer representatives involved in these discussions were supportive of the CUPE recommendations.

CUPE welcomed this unprecedented opportunity to share our ideas, in detail, with representatives of many Ontario government ministries. It is unfortunate that discussions did not result in any substantive response from the government to our proposals about better ways to improve and protect public services.

At this point, we must say that the government continues to appear narrowly focused on finding different ways to propose two years of net compensation freezes for public sector workers, including the proposal of draft "framework agreements," to effect a two year wage freeze, proposals which were lacking in substance and which we chose not to pursue.

CUPE has continued to stress that we are committed to protecting public services and finding ways to reduce the deficit without jeopardizing those services. We have also said,

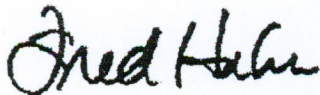
repeatedly, that if the government is serious about deficit reduction, there could be no better place to start than by canceling the planned \$4.6 billion in new corporate tax cuts.

As Thanksgiving rapidly approaches we can report that we have written to the Minister of Finance and the Premier to express our disappointment that the government was unable to respond in a more positive manner to our ideas on strengthening public services and we underscored that we remain open to any discussions with government that would address those issues.

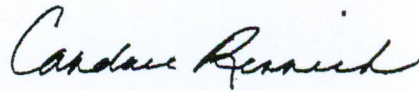
We continue to do our best to assess where the government is headed with its wage freeze policy, we are staying in close touch with the other affected unions, and, we will of course, keep CUPE Locals, members and staff updated on any further developments.

Happy Thanksgiving to you all!

In Solidarity,



FRED HAHN
President
CUPE Ontario



CANDACE RENNICK
Secretary-Treasurer
CUPE Ontario

Cc: P. Moist; C. Généreux; J. Swaok; D. Burke; P. Daley; B. Atkinson; A. Lamoureux;
L. Thurston-Neeley; K. McNama; J. Lepine; F. Hahn; C. Rennick