



Ontario Confederation of University Faculty Associations
Union des associations des professeurs des universités de l'Ontario

To: The Honourable François-Philippe Champagne
Minister of Innovation, Science and Industry
House of Commons
Ottawa, Ontario,
Canada
K1A 0A6
Francois-Philippe.Champagne@parl.gc.ca

Cc: Paul Lefebvre
Member of Parliament for Sudbury, Ontario
House of Commons
Ottawa, Ontario,
Canada
K1A 0A6
Paul.Lefebvre@parl.gc.ca

Cc: The Honourable Chrystia Freeland
Deputy Prime Minister and Minister of Finance
Minister of Finance
Deputy Prime Minister
House of Commons
Ottawa, Ontario,
Canada
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Chrystia.Freeland@parl.gc.ca

May 3, 2021

Dear Minister Champagne,

I am contacting you on behalf of the Ontario Confederation of University Faculty Associations (OCUFA), which represents 17,000 faculty and academic librarians across the province.

We are calling to urge you to amend the language of the Bankruptcy and Insolvency Act (BIA) and the Companies' Creditors Arrangement Act (CCAA) to ensure the exclusion of public institutions that receive transfer payments and government operating grants. This call is in line with the recent motion passed at the Canadian Association of University Teachers (CAUT), which represents 72,000 academic professionals nationally, calling on the federal government to reform the CCAA to exclude public sector entities.



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Public and publicly assisted institutions differ from private corporations in various ways including their requirements for compliance with provincial policy and operating procedures related to governance, accountability, finance and administration. Thus, these institutions should not be subject to the same rules and regulations governing financial insolvency and bankruptcy for corporations in the private sector.

In February, and as a direct result of the erosion of public investment in universities and the decline in the accountability and transparency of university governance, Laurentian University, a public institutions in Ontario, filed for insolvency protections under the Companies' Creditors Arrangement Act—a piece of legislation designed to protect private companies from their creditors. The financial crisis facing Laurentian was created by the provincial government, which has chronically underfunded Ontario's universities, cut and froze tuition fees without providing equivalent public funding, and abandoned an important Northern university in its greatest moment of need. In an unprecedented move, the Ontario government refused to protect a public institution and instead pushed it toward engaging with a corporate process that has not been designed for publicly-funded entities. This resulted in the devastating loss of hundreds of jobs and academic programs at a publicly funded, bilingual and tricultural institution with a mandate to serve the broader northern community in Ontario. Laurentian University is the first public university in the country to file for bankruptcy, which has caused alarming damage to faculty, students and the Greater Sudbury Community.

OCUFA strongly believes that institutions that have been created for the common good of Ontarians and established through public policy and funded by public dollars should be neither permitted to file for bankruptcy nor go through insolvency processes that are designed for corporate entities in the private sector. Rather, it is the responsibility of provincial and federal governments to ensure the health and sustainability of public institutions through appropriate instruments and regulations for the public sector.

The recent developments at Laurentian University have alarming implications for the postsecondary sector and public institutions at large, and we urge you to amend the BIA and CCAA acts so cherished public institutions, including universities, cannot be subjected to CCAA proceedings meant for private corporations.

Sincerely,

A handwritten signature in black ink that reads "Rahul Sapra".

Rahul Sapra
President, Ontario Confederation of University Faculty Associations