



February 5, 2019

Dear Dr. Kent MacDonald, President and Vice-Chancellor of St. Francis Xavier University,

We are writing to express our solidarity with the employees of the Coady International Institute (Coady), as well as our grave concern regarding the current conditions within which they are working. We desire greater transparency and accountability regarding the circumstances at the Coady, both of which have been insufficient.

On January 23, 2019, Coady employees were called to a meeting where they were presented a narrative of a financial crisis at the Coady. This crisis is the result of two factors: 1) not receiving approval for \$3M in funding from Global Affairs Canada (GAC), which makes up approximately 40% of the Institute's funding, and 2) the revelation that approximately \$4M of accounts receivable were recorded and accumulating in the Coady's financial reports but not collected nor collectible in each of the past four years.

In response to this crisis, employees at the Coady were presented with an impossible choice -they can accept a voluntary severance package by February 6, 2019 and receive a guaranteed amount of compensation based on years of employment. However, given the employee complement at the Coady, it is almost certain that the desired number of layoffs will not happen through the voluntary severance process. Employees at the Coady can choose not to accept the severance package, after which they face the uncertainty of being involuntarily laid off later in February.

We are perplexed at the timing of these voluntary and involuntary layoffs. GAC extended an invitation to the Coady to resubmit their unsuccessful funding application by the end of February 2019. This invitation indicates a willingness on the part of GAC to reconsider their decision, provided that the Coady modify their application to reflect GAC's priorities and feedback. We also understand that GAC has a relatively short turnaround time for considering resubmissions. Consequently, it is unclear why the StFX administration is going forward with costly severance packages before the funding situation is fully known.

This alarming situation arises within a workplace environment described as a culture of fear and intimidation. In August 2018, reporter Aaron Beswick interviewed former employees about the unusual rates of employee turnover and sick leaves over the past three years. In his investigation, Beswick described a toxic workplace environment where employees' expertise and experience were disrespected and undermined through a top-down management approach that left them hesitant to seek clarifications about the Coady's strategic direction because they were

fearful of being disciplined or terminated.¹ The decline in the workplace environment at the Coady has also been commented on in the media by partners and graduates, who noted recent dramatic negative changes in employee satisfaction as well as governance failures.²

Currently, we have no evidence that the StFX administration is taking responsibility for past decisions and demonstrating accountability to Coady employees, who are the primary reason that the Coady International Institute is held in high esteem nationally and internationally. While administration bears the full responsibility for financial oversight and securing funding, they are not shouldering the consequences of their failures in these areas. It is Coady employees whose livelihoods are now at risk, and who are faced with an impossible decision – they are the ones who are being forced to take responsibility, through job loss, for administration’s failures within the context of a dysfunctional workplace environment.

Meanwhile, there is a paradoxical insistence by the StFX administration that management is performing well, and that the Coady International Institute is running smoothly and according to planned change.³ This confidence continues to be asserted despite significant evidence to the contrary, including significant employee turnover, a high number of employees on sick leave, and the extraordinary situation of several former and retired Coady employees going to the media in hopes of seeking justice for their colleagues who continue to work at the Coady.

We demand greater accountability from the StFX administration for this crisis, as well as greater accountability to the employees who are being laid off, voluntarily and involuntarily. Such accountability would include:

- 1) a transparent review focused on financial oversight and workplace climate of senior leadership at the Coady International Institute;
- 2) a more thorough explanation of why these layoffs are happening before the Coady’s funding situation is fully known; and
- 3) consultation with the StFXAUT and NSGEU in constructing a fair, equitable and transparent process for involuntary layoffs, which incorporates measurable factors like experience, expertise, performance, and seniority.

Our colleagues who have left or will leave, voluntarily and involuntarily, represent an enormous loss of expertise, experience, and institutional memory for the Coady and StFX communities and the local, national, and international communities that we serve. Significant damage has already been done to the reputation of the Coady International Institute, and much reparative work is necessary in the future. However, we still have hope that a demonstration of transparency and responsibility – by you as President and Vice-Chancellor of StFX and by Dr. June Webber as

¹ Aaron Beswick, “StFX’s Coady Staffers Leaving in Droves.” *The Casket*, August, 19, 2018. Available at: <https://www.thecasket.ca/news/st-fxs-coady-institute-staffers-leaving-in-droves-234933/>.

² Aaron Beswick, “St. F.X. President Brushes Off Partner’s Coady Institute Concerns.” *The Chronicle Herald*, August 31, 2018. Available at: <https://web.archive.org/web/20180904165238/http://thechronicleherald.ca/novascotia/1594524-st.-f.x.-president-brushes-off-partner%E2%80%99s-coady-institute-concerns>.

³ The most recent examples of these public expressions of confidence in Coady leadership include the similarly (and in some sections, identically) worded letters to the StFX Campus Community by Dr. Kent MacDonald (email correspondence to StFX Faculty & Staff distribution list and to StFX Students distribution list) and the Coady International Institute Alumni by Dr. June Webber (available at: <https://coady.stfx.ca/news-from-coady/>), sent on January 23, 2019. See also Aaron Beswick, “Layoffs Coming to Coady Institute,” *The Chronicle Herald*, January 30, 2019, available at: <https://www.thechronicleherald.ca/news/local/layoffs-coming-for-coady-institute-280275/>.

Vice-President and Director of the Coady International Institute – in the face of this crisis could go a long way in affirming the Coady’s legacy of social justice education and community development.

Sincerely,
StFXAUT Executive Committee

cc. Dr. June Webber, Vice-President and Director, Coady International Institute
StFXAUT Listserv