

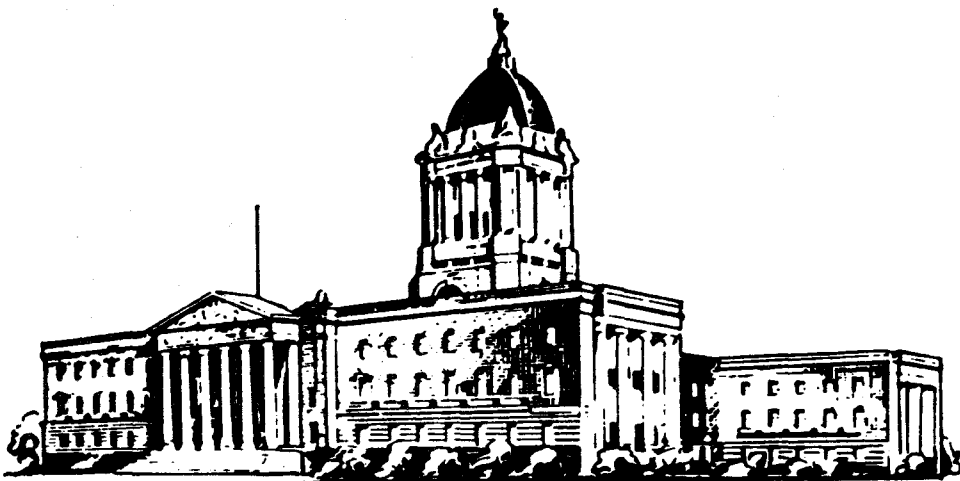


Second Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

STANDING COMMITTEE
on
INDUSTRIAL RELATIONS

40 Elizabeth II

Chairman
Mr. Marcel Laurendeau
Constituency of St. Norbert



VOL. XL No. 2 - 8 p.m., TUESDAY, JULY 9, 1991



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Guizar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	ND
DOER, Gary	Concordia	ND
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIB
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	ND
EVANS, Leonard S.	Brandon East	ND
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	ND
GAUDRY, Neil	St. Boniface	LIB
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	ND
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	ND
LAMOUREUX, Kevin	Inkster	LIB
LATHLIN, Oscar	The Pas	ND
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	ND
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	ND
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assinibola	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	ND
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	ND
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	ND
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	ND
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON INDUSTRIAL RELATIONS

Tuesday, July 9, 1991

TIME — 8 p.m.

LOCATION — Winnipeg, Manitoba

CHAIRMAN — Mr. Marcel Laurendeau (St. Norbert)

ATTENDANCE - 11 — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Derkach, Manness, McCrae, Praznik

Messrs. Ashton, Edwards, Ms. Friesen, Messrs. Laurendeau, McAlpine, Mrs. Render, Ms. Wasylcia-Leis

WITNESSES:

Joan Sellar, Manitoba Division of the Canadian Union of Public Employees

Judy D'Arcy, Manitoba Division of the Canadian Union of Public Employees

Lilian Boudelique, Private Citizen

Ron Rudiak, Private Citizen

Susan Hart-Kulbaba, Manitoba Federation of Labour

Peter Olfert, Manitoba Government Employees' Association

Vera Chernecki, Manitoba Nurses' Union

Ron McLean, International Brotherhood of Electrical Workers, Local 2034

Bill Featherstone, Private Citizen

Robert J. Dooley, International Brotherhood of Electrical Workers, Local 435

Robert N. Kotyk, Private Citizen

Jacques Samyn, Private Citizen

MATTERS UNDER DISCUSSION:

Bill 70—The Public Sector Compensation Management Act

* * *

Mr. Chairman: Will the Standing Committee on Industrial Relations please come to order. This evening the Standing Committee will be considering Bill 70, The Public Sector Compensation

Management Act (Loi sur la gestion des salaires du secteur public).

I would like to point out that this committee will also be considering Bill 70 tomorrow, July 1, at 8 p.m.; Thursday, July 11 at 10 a.m. and 8 p.m.; Friday, July 12 at 1 p.m. and on Saturday, July 13 at 10 a.m. and continuing all day.

I would also like to mention, for the benefit of the committee members and members of the public, that Room 254 has been set up as an overflow room. It has a Hansard sound feed and has a video display, so that members of the public sitting in Room 254 can watch the proceedings. However, the video portion is not being transmitted outside of the Legislative Building. It is just a localized video feed.

It is our custom to hear the briefs before consideration of the bills. What is the will of the committee? Hear the briefs? Agreed.

I have a list of presenters wishing to appear before this committee. All committee members have been provided with this list. Should the members of the public wish to consult this list, a copy is on display on the board to the outside of the committee room door.

I will now read the names from the first page of the list.

(1) Joan Sellar, (2) Susan Hart-Kulbaba, (3) Al McGregor or Gord Hannon, (4) Peter Olfert, (5) Vera Chernecki, (6) Ron McLean, (7) Judy Bradley, (8) Bill Featherstone, (9) Robert J. Dooley, (10) Maggie Hadfield, (11) George Bergen, (12) Blair Hamilton, (13) Lilian Boudelique, (14) Clyde Huff, (15) John Doyle, (16) Rob Hilliard, (17) Harry Mesman.

Should any member of the public wish to make a presentation but is not registered, please contact the Clerk of Committees and she will ensure that names of the presenters will be added to the list.

Prior to commencing the presentations, there are a number of administrative matters that the committee should resolve. First, there are a number of presenters from out of town. These names are identified on the presenters list with the

asterisks. Does the committee wish to hear from those presenters first?

Mr. Steve Ashton (Thompson): Mr. Chairperson, I note from the list there are a significant number of people from outside of Winnipeg. I do not think that is surprising given the significance of this bill, and we do have precedent on other matters. I think the only parallel to this has been the hearings in terms of the Constitution, and in many ways this is on the same level. It is a constitutional issue for the working people.

I would like to recommend that we have out-of-town committee hearings in communities where there are a significant number of presenters. I know in the case of my own constituents, I know a number of them have registered for the committee. They work in Thompson. They are unable to be here, Mr. Chairperson, but are very concerned about the bill. I note that there are many others from other communities as well, and rather than try the impossible, which is for people working, to have them travel—in the case of some people, several hours; in the case of people in the North, 8, 10 or 12 hours—I have a motion that I would like to bring to the committee. It would accommodate presenters from out-of-town by holding committee hearings in communities where there are a significant number of presenters.

* (2005)

I am not trying to be unreasonable, Mr. Chairperson. If there are one or two people from a certain community, I am not suggesting that we have a committee hearing wherever there are presenters, but I have a motion that perhaps may help deal with that.

I move that the Industrial Relations committee recommend to the House that

WHEREAS there are numerous Manitobans from outside Winnipeg wishing to make presentations on Bill 70; and

WHEREAS in order to allow these people to make presentations, it would be appropriate to hold such public meetings at such times and places as it may deem advisable to receive briefs and hear presentations.

I am willing to explain that.

Mr. Chairman: Order, please. I will advise the audience only one time that they will not be participating in the events that are happening in this

meeting. Anyone found with any outbreaks will be taken out of the room. Thank you very much.

Point of Order

Mr. Ashton: On a point of order. We have had many a committee hearing in this building, Mr. Chairperson, and indeed I do not blame members of the public for following that. The practice has been to advise people of our general rules but not to threaten to physically remove them.

If we had done that in the past, I think we would have had some pretty vacant committee rooms on some other issues of equal magnitude. So, I would ask that perhaps the warning suffice, and that I am sure people understand that there are rules here and will follow accordingly. Quite frankly, I cannot blame them for, in this case, simply applauding what I think is a reasonable motion.

Mr. Chairman: Thank you for the advice, Mr. Ashton. Order, please.

* * *

Mr. Chairman: Mr. Ashton has moved that the Industrial Relations committee recommend to the House that

WHEREAS there are numerous Manitobans from outside Winnipeg wishing to make presentations on Bill 70; and

WHEREAS in order to allow these people to make presentations, it would be appropriate to hold such public meetings at such times and places as it may deem advisable to receive briefs and hear presentations.

To the committee, to explain this briefly, all we are going to do is advise the House as was stated in the beginning of it. This motion would then go forward to the House because only the House can decide whether the committee will travel or not.

Mr. Ashton: I recognize that, but I feel that there is the opportunity for this committee tonight to make a clear statement to the government. The intent of this motion is clear. As I indicated before, it is to allow members of the public from outside of Winnipeg to make their views known on this particular bill.

I want to stress the point again that the only parallel that I have seen in the 10 years that I have been in the Legislature to this, in terms of numbers of presenters registered, is the Constitution. I want

to indicate that then it was always assumed there would be hearings, committee hearings outside of Winnipeg, in the case of the legislative committee that would have sat last year.

There is a precedent in terms of the Constitution, in terms of the task force that met throughout the province and the current task force. There have been two task forces, essentially, that have met with far fewer people—quite frankly, in the case of the latter—than this particular one, than who are registered here today.

As I indicated before, this is very much in the same category. This is a fundamental breach of the labour relations of this province. This is, in many ways, an attack on the very constitution of labour relations in this province, the system of collective bargaining we have. It should come as no surprise that we have 562 Manitobans wishing to make presentations. On such a serious matter, I think it is only reasonable that we follow a precedent that has existed on previous bills and previous issues, this being a very important issue, and allow people from outside of Winnipeg to have the equal opportunity to present their views to this committee as people from the city of Winnipeg.

* (2010)

Hon. Clayton Manness (Minister of Finance): Mr. Chairman, I would speak against the motion, particularly for these reasons. Winnipeg is the seat of government, and I find curious the rationale used by Mr. Ashton. If indeed the number of presenters were the reason or the determining factor as to whether a bill was more or less important, I would say that would be an easy method by which one then would determine whether or not a bill would leave the City of Winnipeg, the seat of government, for review.

Mr. Chairman, I would make the point that the Workers Compensation bill that is before the House, No. 2, is critically important and is as important as this bill, indeed as it affects potentially every worker in the province of Manitoba.

I would submit that the college governance act is a significant bill and, in my humble view, is as important as Bill 70. So what the member seems to be suggesting is that by his criteria, if you hit some magic number of presenters, whether it is 500 as compared to 50 or 100 or 200, that in itself becomes the determinant as to whether or not the hearings, the review, the contributions and the

representations to bills should be considered in locations other than the city of Winnipeg.

Mr. Chairman, we are trying to accommodate every presenter, and to that end we will sit on the weekend. I recognize when the member says that may involve long distances by those in number who may wish to make representation, I say to him that we will accommodate to the extent that we can. It would be highly, in my view, improper under the traditions of this House dealing with basic bills—I am talking now about constitutional resolutions—that it would be highly improper for the government to accede to his request and, therefore, allow the committee to sit in other places other than here tonight and, indeed, many days to come.

Mr. Ashton: Mr. Chairperson, if the minister is worried about any inconsistencies, I can indicate right now that I am sure our caucus would be willing to hold meetings of the committees on Workers Compensation and college governance outside of the city of Winnipeg.

If that is his concern in terms of that, I can indicate right now, I am sure, on behalf of our caucus, that we are willing to go out and talk to Manitoba workers and Manitobans generally about those two important issues as well.

I would also point out that in addition to the constitutional items I referenced before, I have travelled on other committees including a municipal affairs committee that travelled through rural Manitoba. We have done it on bills; we have done it on important issues before, and I would challenge the Minister of Finance (Mr. Manness) to cite me another bill that has been before this Legislature with 562 presenters as of the first night of hearings. If that does not indicate to the Minister of Finance and the government how important this bill is and how important it is to get outside of the perimeter of the city of Winnipeg, I do not know what will.

Mr. Chairman: Is the committee ready for the question?

Mr. Paul Edwards (St. James): Mr. Chairperson, I think that the Minister of Finance's comments, which I listened to, really do not make sense when one considers the motion before us. We are dealing here with a very controversial piece of legislation, one that, by the minister's own admission, by his own press statements, is quite dramatic, affects thousands and thousands of people across this province and is really unprecedented in terms of this

province and its impact on workers. Whatever one thinks about the bill, whatever these presenters will tell us, we have a clear indication that there are literally hundreds who want to speak.

* (2015)

We live in a province that geographically is vast and, in terms of population covering that area, is relatively small. We are a few on this committee. We can easily go to those communities where the numbers warrant, and the member for Thompson (Mr. Ashton) did make that caveat. He said, where numbers warrant. I do not think he is talking about dozens of stops across this province. I think he is talking about some strategic committee meetings, and I look across me at the table at the member for Brandon. The member for Brandon is here across the table. That seems a logical place to go to. The member for Thompson (Mr. Ashton) has indicated Thompson as a northern community. I see the member for Roblin-Russell (Mr. Derkach) here. I see the member for Lac du Bonnet (Mr. Praznik) here. I see rural members around this committee.

Surely, the fact that Winnipeg is the seat of government is not a sufficient reason to not take the members of this committee to areas where we can more easily accommodate those who are wishing to present, who have obviously come to us in significant numbers.

Now the minister relies perhaps on the fact that it is not tradition. Mr. Chairman, this province is not traditional in Canada. We hold public hearings on every piece of legislation that comes before. We are unique in this country. It would be consistent with that uniqueness, that tradition and that commitment to hear the public, to in fact take these committee meetings to outlying areas, where numbers warrant, to hear what people have to say. If the Minister of Finance (Mr. Manness) really believes in this public hearing process and really intends to give it the full weight it deserves, he will do that. His arguments that he has put forward thus far are not convincing.

Mr. Chairman: The committee is ready for the question? At this time, I would like to advise the committee that only members of the committee are eligible to vote.

All those in favour of the motion, say yea.

Some Honourable Members: Yea.

Mr. Chairman: All those opposed, say nay.

Some Honourable Members: Nay.

Mr. Chairman: In my opinion, the Nays have it.

Mr. Ashton: I would ask for a recorded vote.

Mr. Chairman: A recorded count-out vote has been requested.

A COUNTED VOTE was taken, the result being as follows:

Yeas 4, Nays 6.

Mr. Chairman: The motion is defeated.

At this time, we are going to revert to whether we will hear the out-of-town presenters first.

Mr. Ashton: I also want to raise another concern, Mr. Chairperson, following defeat of that motion.

There were 98 presenters from out of town. I believe that will disenfranchise many of them, but I want to raise the concern as well about the fact that we are going to have a significant number of hearings at some rather unusual times. I think the pattern was set before on final offer selection a couple of years ago.

My concern is particularly with the committee hearings during the day. Many working people will be unable to attend those committee hearings. Indeed there are Saturday hearings, but there are a lot of working people wishing to make presentations who probably will not be able to make a presentation even on the Saturday. I ask for the assurance from the committee that no one is going to be disenfranchised once again, in the sense of being able to make a presentation, because of the many hearings that will be held during the day.

I want to make sure that we make every effort, Mr. Chairperson, to listen to everyone who can be reasonably accommodated by this committee. I want to hopefully have that understood in advance, because I am concerned that there will be some mornings, once we get into the committee hearings, where there will be many people who will be available perhaps in an evening and who will have their name called out. I want to make sure they do not lose their opportunity. I would appreciate some clarification from you that they would not lose their opportunity, even if they were unable to attend.

I give you the example, next week, I understand we have committee hearings, probably Monday morning and Tuesday morning, two concurrent morning sittings. I would not want someone to lose their opportunity to speak because they could not

attend on Monday and Tuesday mornings but would be available, for example, on Tuesday evening.

Mr. Chairman: At this time, how does the committee propose to deal with presenters who are not in attendance this evening but have their names called? Shall these names be dropped to the bottom of the list or shall the names be dropped from the list after they have been called a certain number of times?

Mr. Manness: To be fair, I think we should follow the normal practice. The normal practice is that the names will drop to the bottom of the list and they will be called one more time, and if on two calls the presenters are not in attendance, then they will be struck from the list. That is the way these committees have handled their affairs for some period of time, and I would think that in keeping with tradition of this House, we should follow that method.

* (2020)

Mr. Ashton: I can indicate our caucus would not agree with that because these are, once again, exceptional circumstances. I would take the example, say of John Peterson, number 398 on the list. When will John Peterson have the chance to present before this committee?

The minister does not know; I do not know; I do not think John Peterson knows. I do not think the other 397 people before him know when they are going to present. I am very concerned when you have hearings that are going to be held during the day when a lot of people cannot attend, and I give you the example.

If John Peterson works during the day and he is called on Monday and he is called again on Tuesday and he is called twice, according to these rules he is dropped from the list. I think that creates a very unfair situation. I would suggest to the minister that the only reasonable thing to do, as we have done in terms of the last period of time, is if people wish to make presentations we do everything possible to accommodate them. What is going to happen if John Peterson shows up when he has been dropped from the list twice? Will he be refused the opportunity to speak?

I think if the minister is going to enforce guidelines such as that, it will essentially prevent a lot of people, a lot of workers from making presentations and would essentially close out their opportunity to present before this committee. So our caucus does

not, in any way, shape or form agree with anyone being dropped from the list under those circumstances.

Mr. Chairman: What is the will of the committee?

Mr. Manness: I would move that normal practice be followed in this respect, and if you are asking for me to make it in a form of a motion, I will, but if we all understand what normal practice is, that would be the essence of the motion.

Mr. Chairman: As the committee is aware, it is normally a consensus. If there is no consensus we will need a motion to bring this forward, and I am not finding any consensus here among the members.

Mr. Manness: Therefore, I move that the process that should be followed is the presenter should be called—Mr. Chairman, I think—certainly the committee, certainly the government members on the committee wish to be flexible so that those individuals who want to make representation and so signify that they cannot be here other than on a Saturday or some evening, I would hope that the Clerk's Office would take that into account and structure the list accordingly.

Bearing that in mind, Mr. Chairman, I would move that presenters should be called in the order as shown on the list. If they are not in attendance, their names will drop to the bottom of the list and be eligible to be called on one further occasion.

Mr. Chairman: It has been moved by the honourable Minister of Finance that presenters should be called in the order as shown on the list. If they are not in attendance, this name will drop to the bottom of the list and be eligible to be called on one further occasion.

Mr. Ashton: First of all, Mr. Chairperson, I want to deal with the question of normal practice. I sat through most of the committee hearings a couple of years ago when the same government tried unsuccessfully to get rid of final offer selection at the time. At that time, the list was read a number of times, not once.

* (2025)

I have been on many other committees where that is the case, and I want to deal with the question of normal practice. If the minister is so concerned about normal practice, perhaps he would care to drop Bill 70 which has destroyed one of the most normal practices in this province of collective bargaining. -(interjection)-

Mr. Chairman: Order, please. I will put it in a nice way this time. Please allow the committee to carry on, or we will be here for the next year and a half.

Mr. Ashton: Mr. Chairperson, I would gladly be here for the next year and a half if it would stall the passage of this bill—anything that will stop the passage of this bill.

In terms of the public hearing process, make no bones about this, because if the minister is going to walk out of here tonight and say, well, we did not put any restrictions on public presentations, this would be one of the most drastic restrictions this minister could possibly put on. It will stop many Manitobans from making a presentation, and I want to indicate again that many of the people who are going to be before this committee are working people. They have to work. They cannot come down here at 10 in the morning on Monday, sit around. They cannot come again on Tuesday, they cannot come again on Tuesday evening, and they cannot come again on Wednesday morning or Thursday morning or Thursday evening or Friday afternoon or Saturday morning and afternoon. Besides, they have families as well as their jobs that they have to deal with.

All I am asking for is flexibility, so that this government will not say well, you were not here in the middle of the night one night and then ten o'clock the next morning, so you cannot make your presentation. Let us be reasonable, Mr. Chairperson. If the minister wishes to move this resolution, we will vote against it, and I hope he will reconsider it, because it will stop many more Manitobans. We have already disenfranchised many of the 98 from outside Winnipeg. This will disenfranchise many more. It is an unacceptable resolution and is not fair to the people who have registered for this committee.

Mr. Chairman: Is the committee ready for the question? All those in favour of the motion, say ye. All those opposed, say nay. In my opinion the Yeas have it.

Mr. Ashton: I would like to have a recorded vote.

A COUNTED VOTE was taken, the result being as follows:

Yeas 6, Nays 4.

Mr. Chairman: Okay, we are going to revert to this one more time. Did the committee wish to hear the presenters from out of town first?

Mr. Ashton: I would suggest, and I am willing to move it in the form of a motion, that we should accommodate those individuals. Many will not be able to attend these committee hearings from outside Winnipeg, but also to deal with the byproduct of this passed resolution, that we also accommodate those who are unable to attend subsequent committee hearings. The person I mentioned earlier, for example, if he was present and available only on Tuesday night, would be able to attend at that time. It will not deal with the entire problem, because we may end up with a whole series of people on one given night but, if that is understood, priority will be given to those who can attend and those from out of town, I think we are willing to accept that practice.

Mr. Chairman: Is that agreed?

Some Honourable Members: Agreed.

Mr. Chairman: Agreed. Does the committee wish to impose a time limit on the length of public presentations?

* (2030)

Mr. Manness: Mr. Chairman, the government at this time, I stress that, wishes not to request a time restraint or restriction. We are hoping, though, that all presenters, taking into account the large number of people who want to give input to this bill, will deal with the principles of the bill and its clauses in an expeditious fashion and make the best use of their time. That is the only request we make of all presenters. It is not the government's intention at this time to ask the committee for restrictions.

Mr. Ashton: The minister is using a phrase such as "at this time." It reminds me of a few months ago when this government was talking about collective bargaining as being something they would follow on, I think it was, a sacred trust basis. I am concerned about the minister's comments and, after having spoken in the Legislature I believe for six days, and I lost track of how many hours because there were so many things that could be said on this bill, I would hope this is not an implied threat from the minister that if people give presentations he feels are too long or members of the committee get tired of listening to those presentations that at some point in time down the line a limit will be imposed.

I point out to the minister that the impact of the motion that was passed earlier will be to restrict the presentations, in my view, rather severely. Many people will lose the chance to make a presentation.

By voting against our motion the same thing will happen. So I would hope, Mr. Chairperson, that the minister's comments are taken as his own comments, period. We and the other members of the committee, certainly the opposition members, are willing to listen to people.

On a bill such as this, I think the minister has to understand, when you are attacking collective bargaining as fundamentally as this bill does, you are going to hear a lot, because this bill has far reaching implications. I hope that members of the public will not be indirectly intimidated by the comments of the minister and will not feel constrained in their comments.

Mr. Chairman: So it is the will of the committee that there be no time limit at this time. Agreed?

Some Honourable Members: Agreed.

Mr. Chairman: The committee has a very lengthy list of presenters. How does the committee wish to deal with the list? Shall we hear from a certain number of presenters this evening?

Mr. Ashton: I believe, and I indicated before in terms of the practice, the usual practice is to start with the first number on the list, but early on in the evening to announce to members of the committee who are not able to attend, as I said before, for subsequent hearings or are from out of town to identify themselves with the clerks, so that they will have the full opportunity to get off the fullest extent possible.

I would suggest we go through the list but at some point fairly soon deal with that. We might also wish to decide how late we plan on sitting tonight so that members and the public are aware of that.

Mr. Edwards: Just by way of clarification for those who are here and who may not be heard tonight, can you indicate what the role of the clerk is in these proceedings? There will obviously be people who are here and on the list somewhere and throughout these hearings who will then not be heard when they come.

Will the clerk be following up with those remaining on the list and the next numbers that have not been heard, contacting those people to advise them of the future sittings? How does that work, and will the clerk be available to advise people on when they might be heard in the future?

Mr. Chairman: Yes, Mr. Edwards. The clerk will be available. The clerk will also call everyone who

is on this list and advise them of when the committee is meeting. The clerk will be available in the Clerk's Office, not necessarily this clerk.

Mr. Manness: Mr. Chairman, I would suggest that we ask who might be here as presenters from out of town, and we should hear them if they are. I would anticipate there might not be any more than a handful in number, and then after that, that we try to concentrate on the first page of the list.

I do not think it is wise to try—I mean, just calling out 500 names takes a half an hour in itself. I think we should do two things tonight, concentrate on page 1, plus try to accommodate those from out of town.

Mr. Chairman: Are there any out-of-town presenters here this evening? The clerk will come out and get your names, and we will get the committee started.

I would also like to advise the presenters that if they have a written copy of their brief that these copies should be turned over to the committee clerk, so she can ensure there are enough photocopies made for the committee members.

I want to request the first out of towners after I have gone through the first two on the list. At this time, we would like to call on No. 1. Joan Sellar, President of the Manitoba Division of CUPE, come forward please.

Would you have a copy of your presentation for the committee? Just one second. We will just wait until everyone has their copy. Was it your intention to read the whole brief, 25 pages?

Ms. Joan Sellar (President, Manitoba Division of the Canadian Union of Public Employees): Mr. Chairperson, due to time constraints, what we will be doing is highlighting text of the brief. We will not be reading the brief in its entirety.

Mr. Chairman: It is just so we have clarification, so when we are following. Go ahead then.

Ms. Sellar: My name is Joan Sellar, and I am president of the Manitoba Division of CUPE. The Manitoba Division of the Canadian Union of Public Employees welcomes the opportunity to address this committee of the Manitoba Legislature about Bill 70, The Public Sector Compensation Management Act.

CUPE represents over 19,000 public sector workers in Manitoba's hospitals, nursing homes, healthcare units, social services, municipalities and

school boards. Of these, close to 8,000 will be directly affected by this legislation. We thought that it was important enough to bring in to present jointly this brief to the committee our National Secretary Treasurer, Judy D'Arcy from Ottawa, who is also a vice-president of the Canadian Labour Congress.

I will be introducing the brief, and Judy will be giving the body. The basic principles of free collective bargaining, through which millions of workers around the world negotiate their wages, benefits and working conditions every year, apparently mean nothing to the Filmon government. This government has, with one stroke of the legislative pen, succeeded in breaching a long honourable tradition of negotiation in good faith and hammering out a mutually agreeable settlement through a process of negotiation, however tough the negotiations. Manitoba has not seen such Draconian actions by a provincial government since 1919.

It seems clear to us that this government has no principles and no honour when it comes to respecting working people's rights in the collective bargaining process. Moreover, a wage freeze at this time does nothing to assist the Manitoba economy in a battle against recessionary pressures. It is decidedly irresponsible of this government to take millions of dollars out of the economy at a time when the economy desperately needs leadership which will boost confidence in the economy and increase consumers' purchasing power.

Persistent and deliberate underfunding of social programs through reductions in transfer payments from the federal government has meant that provincial governments have had to assume some responsibility to ensure that social programs are adequately funded.

The remainder of this brief will offer a more detailed examination of these points, along with documentation which will illustrate why the Filmon government has acted in a most irresponsible fashion, and why this government should withdraw this legislation at once in favour of a more fiscally enlightened approach. Sister D'Arcy will continue with the brief.

Mr. Chairman: Could you please give me your name?

* (2040)

Ms. Judy D'Arcy (National Secretary Treasurer, Manitoba Division of the Canadian Union of

Public Employees): Judy D'Arcy, National Secretary Treasurer of CUPE. I welcome the opportunity also to address the committee and to lend the support of our national union, Canada's largest union with 400,000 members, to the presentation that Joan Sellar has begun.

I would like to highlight some of the issues that our brief addresses. The first one is the issue of the ability to pay, and I understand that this government and the Finance minister, in particular, have been trying to rationalize the wage freeze by saying that the province cannot possibly afford to pay wage increases for public sector employees.

We believe this issue of the ability to pay that is being raised by the government is at heart a political concept, an ideological concept, as opposed to an economic one. In fact, in our experience, and certainly an experience that the government is familiar with from its own labour relations experience, arbitrators over the years and, in particular, leading arbitrators in the last few years have said very clearly that the ability to pay, when we were dealing with issues like arbitrations for public sector employees, should not be a determining factor.

I want to refer you on page 7, to a quote from one of Canada's most esteemed arbitrators that deals with this issue as it relates to arbitration, but it is certainly relevant I think where he said: I determine that on balance, if the community needs and demands the public service, then the members of the community must bear the necessary costs to provide fair and equitable wages and not expect the employees to subsidize the service by accepting substandard wages.

It is clear that the Filmon government has decided unilaterally to place the burden of paying for public services squarely on the shoulders of those who provide those services, and it does fly in the face of considerable experience and considerable long history of decisions by arbitrators. Our members and other public sector workers in this province are being forced, as a result of this wage freeze, to pay disproportionately for public services in this province.

Essentially, what you have is a public employee facing double taxation. They both pay for public services in this province through the taxes that they pay as citizens; the other part of the taxation is that they are now also being hit in their pocketbooks.

You certainly know, we certainly know from our own experience that public employees have never backed down from tough negotiations. We have always played by the rules whether or not we like those rules when arbitrators have been called in in order to decide wage increases in interest arbitrations or if we are dealing the final offer selection process. Public employees often do not achieve the kinds of wage settlements that they like, but they take part in the tough negotiations, and they live with the outcome of it.

We want to say very, very strongly that we believe that the Filmon government and Finance minister Clayton Manness do not understand the processes of free collective bargaining, a bargaining in good faith, and they do not understand the rules of how you play the arbitration game. What is an attack on public sector workers is happening essentially for blatant political reasons.

I want to deal now with the issue of whether or not a wage freeze is good economics, and in a word, we would say no it is not. Bill 70 is based on bad economics. It is the experience of this country, going back for a few decades now, the wage control certainly that we experienced in the 1970s and the 1980s, that wage freezes do not foster economic recovery. In fact, wage freezes only serve to keep the economy in recession, and the earning power of Manitoba's public employees is being sacrificed, not for the well-being of all Manitobans but for the good of corporate economic interest.

Some economists estimate that approximately \$70.1 million will be taken out of the Manitoba economy as a result of this wage freeze, and that hurts all of Manitobans. It hurts the Manitoba economy because this is money that is lost to the Manitoba economy. It will never be spent on the purchase of goods and services as it would have been if it had been rightly allocated to workers in the form of wage increases.

The wage freeze will have its biggest impact on low-income public sector workers. Certainly cabinet ministers who earn incomes in the area of \$65,000 plus tax-free allowances are only going to suffer a minor inconvenience as a result of this wage freeze while public employees in this province who earn on average \$25,000 a year will have to struggle even harder in order to make ends meet.

I think it is very, very important for this committee to put a human face on this problem, to not think

about this in terms of faceless statistics, to not try and depict for the public that this is an issue of fat cat bureaucrats who are not going to make quite the high salaries that they usually do, of some paper pushers who are not doing useful work for the citizens of this province. We believe that is the way the government is trying to depict it when, in reality, what we are dealing with here is mainly low wage earners. In the case of my union and in the case of the other public sector unions, we are dealing mainly with public employees who are women.

I want you to take a minute to look very carefully and to read very closely the statistics that we have spelled out that give a human face, not just the big numbers on page 11. Consider the housekeeping aide who works at the Health Sciences Centre and who earns a maximum of \$9.99 an hour. As I said, we are not talking fat cat bureaucrats here; we are talking \$9.99 an hour, \$20,130 a year. As you know, the poverty line in Manitoba for an urban area with a population of 500,000 or greater is \$29,494 for a family of four. We have many members who fit that bill, who are women, who are sole-support parents, who are earning \$20,000, living far below the poverty line, and you are freezing their wages.

The situation in smaller centres is no different. If you look at Portage la Prairie, a housekeeping aide earns a maximum of \$9.94 an hour or \$20,029 per year. The poverty line for an urban centre with a population of less than 30,000 is just over \$23,000 for a family of four.

We do not believe, and we do not believe that Manitobans think, that it is too much to expect, in our society, for ordinary working people to be able to receive a living wage, a wage which allows a worker and his or her family to exist above the poverty line. We believe that it is the responsibility of government also to ensure that the people who work for them directly or indirectly are able to live above the poverty line.

The Progressive Conservatives tell us that the wage freeze was introduced in order to reduce the provincial deficits, but have wage restraints ever helped to reduce government deficits or reduce the taxes that were paid by other ordinary workers in the past? The answer is no. The wage control programs at both the federal and provincial level in the 1970s and the 1980s only meant that billions of dollars were lost in income tax and in sales revenues. Wage restraints in fact contribute to higher unemployment rates, and they prolong the

recessionary pressures on the economy. What we really need is to increase consumer demand. We do not need a wage freeze in order to pull the economy out of a recession.

I want to touch just for a minute on the loss of purchasing power that this means for public employees in this province. If we use a relatively conservative estimate of 5.5 percent inflation for 1991, then the housekeeping aide whom I referred to earlier, who works in the Health Sciences Centre, will lose approximately \$1,107 in real purchasing power because of the wage freeze. That hurts that person; that also hurts the economy of Manitoba. The Filmon government will not allow this worker, already working at wages below the poverty line for a family of four, to protect his or her wages against inflation.

We think it is also very important to underline the fact that wage increases do not cause inflation. We often hear the argument that wage increases are a primary cause of inflation. If you look, for instance, at the province of Manitoba for the period of February 1990 to February 1991, average weekly earnings increased by 4 percent during that time. They went up from a whopping \$453.61 to \$471.60. The consumer price index, on the other hand, increased by 6.1 percent during that same period. If wage increases were a major cause of inflation, we would be seeing wages increasing at a faster rate than prices, not at a slower rate.

* (2050)

Wage settlements over the past three years also indicate that there is very little reason to believe that negotiated wage settlements have had a significant inflationary impact. If you look at the table on page 16, you can see that wage settlements in all agreements trailed the rate of inflation in 1988 and in 1989. Settlements were ahead of the rate of inflation in 1990, not because public sectors settlements were large—and this wage freeze is one directed at public sector workers—but because private sector settlements were over 6 percent. Believe me, I am not advocating that we bring in wage controls for the private sector as well; I just want to make very clear that what we have happening here is the scapegoating of public sector workers whose settlements are in no way responsible for inflation.

The first quarter of 1991 now has wage settlements that are virtually tracking the rate of

inflation, but we certainly also know from past experience with other wage restraint legislation that inflation does not necessarily abate because controls are implemented. In 1975, for example, wage controls reduced the average Canadian worker's wage by 10 percent, but prices kept on rising until the CPI percentage increases reached into double digits.

I want to deal now with some of the broader impact of Bill 70 because, as we know, it freezes much more than wages. I think it is very important that Manitobans understand very clearly that this is not just about freezing wages. Not only are wage adjustments frozen for the 12-month extension period but so are all other provisions of the collective agreement, including all nonmonetary items. In other words, all terms and working conditions are frozen as well. Moreover, any term or working condition which contains an expiry date in the current collective agreement is not automatically extended for the 12-month period, but it expires on that specific date.

We believe that this total and absolute suspension of free collective bargaining is not merely unfair, it is an unconscionable act which demonstrates this government's complete disdain for its own employees and the employees of boards and agencies that are funded by public monies. -(interjection)-

Mr. Chairman: Order, please. I would like to remind the members of the public in attendance, under the rules of decorum the general public should not participate in committee proceedings. This includes applauding, cheering, heckling and booing. Thank you. These are the rules of the House.

Ms. D'Arcy: With respect, sir, I did not feel they were taking over my presentation, but you are the Chair.

I would ask this committee and I would ask the government to consider very seriously how employees can gain satisfaction out of providing services to a deserving public when their government and their employer has such little regard for them.

I want to touch just for a minute now on the impact of cutbacks in federal transfer payments. Yes, it is certainly true that the federal government is offloading its responsibility for social spending onto the provinces, but the provinces in turn and, in this

case, the Manitoba government are offloading their responsibilities onto municipalities, hospital boards, school boards and other social service agencies.

While the provincial government may use the cutbacks in federal transfers as a convenient justification for harsh economic measures, it remains nothing more than that, we believe—a convenient justification.

The very same fiscal policy and political ideology which has driven the federal Conservatives to cut transfer payments is driving the provincial Conservative government to duplicate those cuts. In short, we can only conclude that the provincial government is not interested in providing quality services to a deserving Manitoba public any more than the federal government is.

Let me talk just for a minute about the issue of whether there was a choice for this government. Is there any other alternative? We certainly are all too well aware that the federal Conservatives, that Mr. Crow, have been pursuing a fiscal policy which has kept interest rates high and the value of the dollar at an unacceptably high level and that these policies, in combination with the disastrous effects of the Free Trade Agreement, have resulted in an unnecessary made-in-Canada recession. Hand in hand with that has come the attempt to blame public sector wage increases for Canada's economic problems. The federal government introduced wage controls in the federal public service and hoped, and unfortunately their wishes came true, that provincial governments would fall in line, and the overwhelming majority of provincial governments have fallen in line.

All reports on the Canadian economy indicate that we are now at least poised, and I do not want to make too much of this, but we are poised to break out of the recession. We have seen the beginnings of some modest economic growth. The gross domestic product grew by .9 percent in April, its biggest monthly gain since March 1988.

This economic good news has absolutely nothing to do with wage restraints on public sector workers at either the federal level or the provincial level. One factor certainly is the easing of the government's high interest rate policy, which is a major contributor, but I think if you look at when most of those wage control programs have come into effect, they were not in effect in April, which is when the economy began to show signs of recovery.

So, is there an alternative to a wage freeze? We would say, of course there is, and we would ask that this government have the courage to pursue an option besides a wage freeze. There is an alternative. The Filmon government could have declined to march in lock step with the federal government in blaming public sector workers for the recession. They could have made a commitment to the Manitoba public to find funds to provide quality public services with adequately paid employees, not to ask public employees to subsidize those services with real cuts in their purchasing power.

But they did not. Instead they decided to listen to their corporate friends and to the Mulroney government and to punish public employees. The government could have and the government should have sought revenue from those who can afford to pay and from those who benefit most from government subsidies and from low tax rates. The corporations and the wealthy must pay their fair share, through a fair and equitable taxation system.

In conclusion, I would just like to say that the Canadian Union of Public Employees believes very strongly that this government has made a serious mistake in pursuing a misguided strategy of introducing this wage freeze to deal with provincial economic problems. We believe that Bill 70 is a denial of justice and a gross infringement on the rights of public sector workers. This legislation demonstrates very clearly the Filmon government's complete disregard for those rights and their disdain for workers who provide valuable public services to the citizens of Manitoba.

Bill 70 is not the foundation for sound economic policy which will lead to a recovery in Manitoba's economy. On the contrary, it can only worsen the situation. We believe there is only one inescapable conclusion for this committee and for this government. The members of this committee must recommend the withdrawal of this regressive legislation. Thank you very much.

Mr. Chairman: Thank you, Ms. D'Arcy. There may be some questions from the committee.

Mr. Manness: Mr. Chairman, I would like to thank Ms. D'Arcy and Ms. Sellar for a very concise presentation. In my view, certainly they have addressed many, if not all, the relevant issues and although I may disagree with some of the conclusions, certainly in my view the relevant issues have been addressed in their brief.

I wonder if I might ask these questions. My deficit this year was \$325 million. I am not very proud of it. Should it have been larger?

Ms. D'Arcy: I do not believe it is our responsibility to answer whether your deficit is larger. We believe that if you were prepared to take part in consultations with unions and with community groups and citizens in this province that you might have been able to find some solutions that were amicable solutions. We believe that if you take part in negotiations, if you respect free collective bargaining, that unions also recognize that we live in tough economic times. We have certainly had local unions, including some of our largest local unions, who have been through extremely difficult negotiations, who have had to make tough choices, who have not achieved everything they wanted in the collective agreement, but who have recognized that there are times when it is tougher to get good wage increases and times when it is easier. We are suggesting that if you took a more consultative approach, you would be able to avoid the kind of confrontation this particular piece of legislation is provoking from public employees and unions in this province.

Mr. Chairman: Order, please. At this time I would like to advise members of the committee that I would appreciate if you kept your questioning as clarification of the presenters' briefs.

Mr. Manness: To that point, in the brief on page 23, Ms. D'Arcy indicated that we listen to our corporate friends, suggesting that there are significant tax reductions. I would ask her if she were aware that the corporate revenue in the province of Manitoba for my last budget is dropping 50 percent from the year before, and whether or not that has any relevance. It is not because I have decreased the corporate tax rates. The reality is profits by many of our companies are just not there to be taxed. Does that have any relevance to the presenter at all, that fact?

Ms. Sellar: Profits will continue to go down as long as you are taking the spending power away from the members I represent. If they do not have any money to spend now, then how do you expect them—

Mr. Manness: I said corporate, corporate profit.

Ms. Sellar: Their profits come from the money that my members spend.

* (2100)

Mr. Manness: Mr. Chairman, I would ask, on page No. 8, two concepts are used within the same sentence almost. They are in the same sentence: collective bargaining and the arbitration game—to quote from the report. I would ask whether or not, in concept, these two points are in conflict at all in the minds of the presenters—free collective bargaining and arbitration?

Ms. D'Arcy: With respect, sir, I do not understand the question that you are asking. I think that there is certainly—

Mr. Manness: Mr. Ashton is on the record, for instance, for saying that arbitration in itself is in—and I am paraphrasing and I will let him expand it—conflict with free collective bargaining, and free collective bargaining is not arbitration. I would ask you whether you would concur with that or, indeed, is there any conflict between the two concepts?

Ms. D'Arcy: With respect, sir, I do not think we are here to discuss whether all public employees should have the right to strike or whether there should be compulsory arbitration. What I was referring to, which I do believe is relevant, is the issue of ability to pay and whether or not it is a legitimate criteria for government to use as one of the main underpinnings of a wage controls policy. I referred to what very respective arbitrators have had to say on that issue, because it does affect the issue of compensation for public sector employees.

I think you will have to deal with Mr. Ashton and with the unions in Manitoba.

Mr. Ashton: Thank you, Mr. Chairperson. I think the minister, if he wants to play some debating games, should understand the issue here is not a question of arbitration or final offer selection or negotiations. It does not matter if someone received an award under final offer selection, arbitration or -(interjection)-

Mr. Chairman: Order, please. The honourable minister on a point of order.

Point of Order

Mr. Manness: Mr. Chairman, I referred to a specific sentence in the brief, as is my right to do. I am not debating with the member for Thompson. I will do that in the House. I drew something out of the brief. I am trying to get a deeper understanding of whether or not they are consistent with each other, and for the member for Thompson (Mr. Ashton) to now

berate me because I drew his name into my question, I say, is very much out of order.

Mr. Chairman: Order, please. The honourable minister did not have a point of order, but Mr. Ashton should be presenting his question towards the presenter.

* * *

Mr. Ashton: Mr. Chairperson, my apologies. I was merely responding to the points raised by the minister. I want to ask the presenter, specifically, and this was raised in the brief, but it relates to the Minister of Finance's point, and that is currently under this bill it does not matter whether you negotiated a contract, received one under arbitration or received one under a selection award, that is null and void. Do you believe that it is good labour relations, and do you think that is consistent with the system of free collective bargaining we have had in Manitoba for more than 100 years?

Ms. Sellar: That is not free collective bargaining, and it is—I mean, that is all I can say about it. It is not free collective bargaining. You are nullifying free collective bargaining in this province. What they are doing has nothing to do with free collective bargaining. They are dissolving it.

Mr. Ashton: Mr. Chairperson, I also want to deal with the implications of this, because one of the facts of life for Manitoba in labour relations in the last number of years—you probably have to go back to 1919 to see any differences in it—is in terms of the fact we have the second lowest strike rate and one of the more harmonious climates of labour relations in the country in large part because we have one of the more progressive sets of labour relations that does not implement the law of the jungle, as we have seen in B.C., in Alberta and Saskatchewan, but recognizes the collective bargaining process and the rights of workers. I would like to ask you what you feel the implications of the passage of this bill are going to be? Do you feel it is going to lead to greater labour unrest in Manitoba?

Ms. D'Arcy: I can certainly speak from our experience in other provinces and certainly our experience when wage controls were introduced at the federal level in the mid-'70s. There is more labour unrest happening with public sector unions in this country at this particular point in history than—I have been involved for 19 years—I would say perhaps in the mid-'70s we had the kind of labour unrest at the same level as we are beginning

to see now. In every single province where wage controls have already been introduced, we have demonstrations, we have picket lines, we have disruptions of government proceedings, we have a great deal of hostility and anger on the part of public sector workers towards the government, towards their employers. We believe that it can be avoided.

In the mid-'70s, when we had wage controls at the federal level—I think we all know the history of that—we saw at that time the only general strike on a Canada-wide basis that this country has ever seen. What we also saw was that for many, many years afterwards the workers who were affected by that legislation were doing their darndest to try and make up for wages lost to inflation at the time that wage controls were in effect.

Yes, so I think that there is absolutely no doubt that what we are going to see is an intensification of labour unrest in this country. There is an alternative; free collective bargaining is an alternative.

Mr. Ashton: Indeed, Mr. Chairperson, it has been working in Manitoba up until this point in time. I find your comments very interesting.

I have another question related to the part of the brief where talked about the impact on people, because that is really the bottom line here, the impact on people whom you represent, the people whom many other people represent, many of the private citizens we are going to hear from, I am sure, throughout these hearing who are going to be directly affected. I want to give you the opportunity to give members of the committee some idea of who are the members of CUPE in Manitoba.

You have mentioned one particular classification of employee, and I think it is horrifying when you look at someone making \$9.99 an hour that they are going to lose \$1,100 a year because of this bill. What I want to ask is, if you can give members of this committee some other idea because, quite frankly, some of us feel that the government is trying to paint public sector workers as fat cats. I have listened to some of the comments in the Legislature and I do not think that will be an exaggeration. Incidentally, some of the fat cats, the real fat cats, have been exempted from this legislation. Some of the higher wage earners—the head of MTS, who was hired two months ago, received a \$20,000 raise and I believe is now currently, apparently, on holiday—they are exempt. But I want to ask you:

Who is going to be impacted by Bill 70? Who are the real people who are going to pay the price?

Ms. Sellar: The kind of people I represent who are going to be affected by this bill are health care aides in nursing homes throughout this province; they are people who work in kitchens in hospitals; they are people who drive school buses; and that is going to affect them, ultimately, as well. It is going to affect every Manitoban.

They are single-parent families—just to bring it home to you—we are not talking about freezing somebody's wages at \$40,000. That is a lot of money to the people I represent; that is a lot of money to me. I make half of that. You take somebody who is making \$20,000 a year, and that is before deductions, okay, take away on a conservative figure a quarter of that, one-quarter of those wages of \$20,000 in various taxes and deductions that come off your pay check before you even see it, take away another \$550 or so for rent or mortgage payments a month, take away another \$550 out of that for food to feed a family, and you get left roughly with about \$2,000 a year.

We have not talked about bus passes, we have not talked about lunches, we have not talked about clothing, we have not talked about hydro or water or any of those things that are necessary for people to live. We are telling them that they have to do it on \$2,000 a year. There is no such thing as savings to the people I represent. How much money can you save when, after you have paid all of the necessities for an entire year, you have \$2,000 left to pay off that other whole list of things, and now you are telling us you are going to take away over \$1,000 of that now. You tell us you are not cutting my wages, you are not cutting the wages of 8,000 CUPE employees in this province. I mean, how more real can we get?

* (2110)

I would like to see any one of you sitting at this table survive on the wages that my members earn. You could not do it, but we are doing it. We have been doing it for years, and now you are telling us we have to do it with less money.

Mr. Ashton: I would like to thank the presenter. I think she has said it better than any of us can, and that is the real bottom-line issue, the people who are being affected. Thank you.

Mr. Edwards: I want to thank the presenters, as others have, for a very cogent and, I think, very persuasive brief. Page 16 of your brief sets out the

graph, and I found it quite interesting, in particular, the public sector statistics for the first quarter of this year which suggest a 6.5 percent average increase.

We are told that a number of other provinces have invoked similar types of legislation and, in particular, the presenter who is from out of the province, I understand, and has a national perspective. Given that the other provinces have gone—many others have invoked a zero percent, what are the wage settlements that are being reached in those provinces with public sector employees where similar legislation has not been put in effect or come into effect? Is it indeed 6.5 percent, or is it higher than that?

Ms. D'Arcy: I cannot give you a province-by-province breakdown, but I know that the average settlements in the month of May for all public sector workers across the country was 3.1 percent. Some of the wage controls involved, for instance in Quebec, freezes for six months and then let the previously negotiated wage increase. They varied very much from province to province.

The place where the settlements have remained the highest are Ontario and Prince Edward Island. In Ontario, however, the public sector settlements are falling. They are not at 6.5 percent any more. Our biggest municipal locals in metro and the City of Toronto have just settled for just under 5 percent, between 4.5 percent and 5 percent.

Public sector settlements are falling by virtue of the pressures that are happening in the economy. In general, they are not falling as quickly as they are with wage controls. There is a reduction, but it is part of the free collective bargaining process. It is about decisions that are made as a result of long, tough negotiations and settlements freely entered into by both parties recognizing some economic realities. There is a huge difference between that and having your hands tied behind your back and being told free collective bargaining does not exist any more.

Mr. Edwards: I see 6.1 percent for 1990, and I take your point that it is full 1.3 percentage points above the public sector which fairly well, I think, destroys the vision of public sector compensation which has been put forward by this government, which is that not only are they massively overpaid but they are consistently given these large settlements which has driven the province into bankruptcy. That is the position which is taken pretty consistently in the

House by the government, and you have heard it here tonight.

Are the private sector settlements in your experience, again, recently, are they equivalent to or similar to some of the settlements that are being reached in the public sector through the free collective bargaining process? Are we seeing both the private sector pulled back and the public sector or, indeed in your experience, is the public sector still lagging behind private sector in free collective bargained settlements?

Ms. D'Arcy: The figure that I cited for the month of May for public sector settlements, which was just over 3 percent, the private sector settlements—this is across the country—we are still over 5 percent. I believe it was 5.6 percent.

Mr. Edwards: Very interesting. One further question. In your national experience, and we are told about other provinces that have come in with similar pieces of legislation. Are there other provinces that have come in with this type of legislation after many, many months of going down a road of arbitration, of negotiations, of some bargaining units actually going on strike for periods of time, and retroactively nullified all of that, in effect, changing the rules and pulling the rug out long after the road has been chosen, which strikes me—the legislation's effect is dramatic and quite Draconian, you have pointed that out.

A point which you made earlier on, which is very important to me, is it is fundamentally bad faith, it seems to me, to go down a certain road and then change the rules which, of course, only the province as an employer has the ability to do. They are in a unique position, and they have abused that, at least in my view. Are there other provinces perhaps that I am not aware of that, in your experience, have gone that far, that have done that type of retroactive changing of the rules halfway through the process?

Ms. D'Arcy: I would love to tell you that Manitoba was the only one that has been as horrendous as this, but in all honesty there are some others that are just as bad in certain respects. That does not make it any better.

The workers in those provinces are very, very upset with what has happened to free collective bargaining. They are also very disenchanting about what it means about politicians and governments and the entire process, because it is about having a signature on a collective agreement which our

members believed means something, and they believe that when government directly or indirectly has its signature on a collective agreement, they should respect it as well.

Mr. Edwards: I take your point. Do you believe, and you have just touched on it—what strikes me about this is that it is fundamentally dishonest. It is not hard bargaining. It is beyond that. It is fundamentally dishonest, and that to me will strike a chord not just for this set of negotiations this year. This will have an impact on the future, in my view, and on our cynicism rate amongst the general population about politicians. It is hard to blame them, it seems to me.

Do you have any comment from a national perspective about what civil servants and, indeed, working people generally are thinking about politicians who use their legislative ability to, in effect, get a result that they were not managing to achieve through the bargaining process or even through the arbitration process?

Ms. D'Arcy: As I said before, I think that this attack on free collective bargaining very seriously undermines the morale of people who work in public service, whether that is in hospitals, whether it is provincial government, because it says something about the lack of respect that is shown for them by their employer. Yes, it certainly does undermine their faith in the political process.

There is no question about that, and I think as citizens that is something we all need to be concerned about. We know that there is very, very strong mistrust in this country for politicians at all levels of government and much less faith in our democratic institutions than there has ever been in the country's history, and this certainly serves to undermine what little faith is left.

Mr. Edwards: One final point, and I do think it is worth mentioning. You have mentioned our salaries, salaries of cabinet ministers. The member for Thompson (Mr. Ashton) has mentioned this. You may have wanted to put in your brief, had you known about it, a more, I think, cogent example, that just two months ago we hired the executive director of MTS at \$150,000 a year and gave him a \$20,000-a-year salary increase to boot, which equates to 15.4 percent. If anything leads to cynicism, surely it is that. Thank you very much for your presentation.

Ms. Judy Wasylcyca-Lels (St. Johns): I just have two quick questions in relation to what we all consider to be an excellent brief.

Two points I am interested in relate to what your brief is suggesting in terms of the impact of Bill 70, in terms of entrenching inequities in the health care system and also entrenching inequalities between women and men.

* (2120)

I am wondering, just in terms of those two points, what percentage of your members affected directly by Bill 70 are in the health care sector, and of these, what percentage are women, and generally the impact that you see in terms of Bill 70?

Ms. Sellar: At least half of those people are in the health care sector—we are talking about half of the 8,000 people affected—and probably 75 to 80 percent of those are women.

Ms. Wasylcyca-Lels: Thank you very much. I also appreciated how you showed the real human impact of Bill 70 on women, families and workers.

I wanted to ask you, how will you explain to the housekeeping aid at the Health Sciences Centre who is getting zero percent on \$20,000—if she is lucky—a year, that this government saw fit this year to increase the salary of the deputy minister of Health by 20 percent bringing him up to over \$92,000?

Ms. Sellar: I wish I had the answer to that. I wish someone here could give me the answer to that. How do you explain to someone that their government, the government that was elected—not by me—thinks so little of them that they are willing to hire one person in this province for a salary that would hire, what?—six and a half health care aids in a hospital for people who are already so overworked and so frustrated.

I mean, how do you explain it to them? There is no explanation, except that they were lied to and that the government that is representing them thinks so little of them that—well, it just reminds me of an old cartoon, a political cartoon and it said, if you were a chicken, would you vote for Colonel Sanders?

Mr. Chairman: If there are no further questions, thank you very much.

At this time, I am going to advise the committee that was one of the out-of-town presenters. We now have two further out-of-town presenters, No. 13, Lilian Bourderlique, and No. 35, Ron Rudiak.

At this time, we will call Lilian Bourderlique to come forward, please.

Do you have a written copy of your presentation?

Ms. Lilian Bourderlique (Private Citizen): Yes, I do.

Mr. Chairman: If you could just supply one to the clerk, she will—if you could just give us one minute to get it passed around. Order, please. Go ahead.

Ms. Bourderlique: To quote a fellow countryman, can you see me? I am a little short.

Ladies and Gentlemen, my name is Lilian Bourderlique and I am a clerk in the Civil Service. I am also a taxpayer and an ordinary citizen. I also exist outside the boundaries of the city of Winnipeg.

I appear here tonight because I am a frustrated, disillusioned civil servant and a skeptical ordinary citizen.

I am being bombarded by the media and politicians as to how bad the economy is and how I am supposed to, as a civil servant, share the bad times. Yet I see millions of dollars being handed to private corporations, politicians' expense accounts and management pay scales. Doctors, nurses, teachers, municipal workers all seem to warrant a raise in pay and it seems there is money for them but for me there is none. Nor, it seems, do I have the same rights as doctors in that I am not allowed to go to arbitration.

It also seems to me that there is money to hire friends and workers of the Conservative Party in the Civil Service under the guise of affirmative action. As one of the first and still a member of an affirmation action committee in the Civil Service, let me tell you that the appointing of affirmative action members was never supposed to be tokenism, but equal opportunity based on competition for a position. This government, however, has taken a perfectly good concept that, while being equal to all, will also right some of the historical wrongs, and changed it into a political opportunity to pay off some debts to their friends and supporters of their party.

Ladies and gentlemen, I come from a country that has a class system. When I grew up, we knew our place. We were poor and working class, and were expected to remain so. I came to this country because you had no class system. Everyone was considered equal. The promise was work hard, get a fair remuneration and take advantage of opportunities when they arose. Please, ladies and

gentlemen, do not start a class system here in this country by restricting some people's salaries while not restricting others.

Ladies and gentlemen, my parents raised me to believe that, if you did not work, you were a bum. Now I keep hearing how lucky I am that I have a job. I am not lucky, ladies and gentlemen. I applied for a job 18 years ago along with five others and was considered the best candidate suited for that position. Lucky to have a job—what a sad testimonial to a country when one is lucky to have a job. It would seem to me that our politicians are lucky they are not politicians in one of the third world countries where they probably would have been assassinated by now.

At the beginning of my presentation, I said I was a skeptical private citizen. A few years ago, we were all told by politicians and the media that we were going to run out of oil, that we should conserve, but now all of a sudden there is a glut, there is no shortage. Will this be the same with the economy? Will there suddenly be a surplus of money? Around election time, coincidentally, of course.

I would like to just elaborate on a couple of points and deviate from my presentation here, if I am allowed to. I would like to expand on the issue of decentralization and selected early retirement. I say selected because, although there were certain criteria that had to be met to take advantage of the early retirement, in reality, deals were made for some and not for others. As far as the decentralization issue, in my capacity as a union steward, I became aware of how idiotic and what a waste of money the decentralized policy is. As a result of a fellow clerk's position being lost in the town of Steinbach, she was offered a position in Vital Statistics in Winnipeg—note, not from the city to a rural area, but from rural to the city. This position would ultimately then be transferred to Dauphin. In reality then, that position went from one rural area to another, at the taxpayers' expense, of course.

Finally, ladies and gentlemen, if there is no money, stop spending millions needlessly moving civil servants around the province, stop giving money to a few selected civil servants to take early retirement, stop giving money to corporations like Pine Ridge, and if you are going to freeze my salary, then freeze yours, all other workers' and prices, too.

Mr. Chairman: Thank you, Ms. Bouderville. There will be a few questions.

Mr. Manness: Just one short question, Mr. Chairman. I would ask the presenter if she was aware that all members of this Legislature did take a wage freeze, also, with respect to the constituency allowances, took a reduction that indeed the net effect in this present fiscal year to all members is a reduction in their take from the public purse. I just wanted to make that correction.

Ms. Bouderville: Sir, I believe—and you will have to forgive me, being an ordinary citizen and not being aware of what does go on in cabinet, having a family to raise, a job to perform—there was some article in the media, I believe, last week regarding that some cabinet ministers did take advantage of some increases.

Mr. Manness: Mr. Chairman, I think it is important to correct the record. I will not correct the record; maybe the House leader of the NDP might like to correct the record on that one.

* (2130)

Mr. Ashton: Well, if the Minister of Finance wants to talk in terms of impact of his actions vis-a-vis others, cabinet ministers are paid \$63,000, and without asking you to give away your salary, are you paid that amount for your job on the Civil Service?

Ms. Bouderville: Sir, I am a clerk. That should be answer enough.

Mr. Ashton: I want to ask you again—and I really appreciate, by the way, your comment on being lucky to have a job because some people who phoned to express their concern on Bill 70—and I know people who phoned the Minister of Labour's (Mr. Praznik) office have been told that by staff in the department in his office. -(interjection)- Well, the minister says, not quite. I talked to people who have received that comment. I appreciate for correcting that, but I want to ask you, in your circumstances as a clerk in the government, what is the impact of this going to be, because obviously prices are not being frozen? How is this going to impact on you economically as an ordinary Manitoban?

Ms. Bouderville: Sir, I hate to say it, but I seriously am considering shopping across the border. That takes money out of the economy. It does not give the corporations my money. It does not give the Manitoba government my tax dollars. Surely, giving a simple raise—and we are not talking percentage. We in the clerical do not talk percentage. I would love to have 3 percent of some of my managers' salaries. We are talking 3 percent

of the average clerical, being in the \$20,000. Three percent of a packet of gum is negligible; 3 percent of a car is a lot of money. That is what we are talking.

Mr. Chairman: No further questions? Thank you very much, Ms. Boudierlique.

No. 35, Ron Rudiak. Do you have a written copy of your brief, Mr. Rudiak?

Mr. Ron Rudlak (Private Citizen): Yes, I do. I have copies for the Legislative Committee.

Mr. Chairman: If you could supply them to the clerk, please. Just give us one moment to get it presented to the committee.

Mr. Rudlak: Mr. Chairman, members of the Legislative Committee, I am taking this opportunity as a private citizen to voice my concern and displeasure regarding the proposed legislation now before this provincial administration, which would extend current collective agreements in the public sector for another year.

I have been employed with the Manitoba Telephone System since 1957 and feel that I have contributed to the success of that organization. In the 1990 Annual Report, acting MTS president, Dennis Wardrop, said that the quality of the service MTS provides to its customers is built largely on the competence of its employees. Tom Stefanson, MTS chairman, announced in the 1990 report that MTS had net earnings of \$39.456 million in 1990 on total revenues of \$541.708 million.

He wrote in the report: "I join the other members of the Board in expressing our appreciation to all of MTS' personnel for their contributions to the accomplishments of 1990. With their continued support and a dedication to the responsible management of its assets, MTS will continue to be able to offer exemplary service to its customers and rewarding opportunities for its employees."

Membership in the International Brotherhood of Electrical Workers Local Union 435 has been a part of my life for almost as long as my service with the Manitoba Telephone System. We have mutually solved problems as they arose between the local union members and the employer with assistance being required only occasionally from any third party.

One of the most important things that we have as employees is a negotiated contract. Its pages reflect the needs of both the employer and the

employee and state conditions of employment, wages, benefits and mechanisms for settling disputes. It is not an easy job to work within a negotiation committee, but has its reward when problems are solved in a manner that serves both parties.

Locking both parties into an existing contract that may be outdated by business cycles, costs, technology, service demands and changing labour laws benefit neither the company nor the employee and can be termed at best shortsighted.

As the figures in the yearly report show, MTS has improved its financial status in 1990 and is in a favourable financial position to negotiate contracts with its employees without interference imposed by Bill 70. Thank you.

Mr. Chairman: Thank you, Mr. Rudiak. There will be a couple of questions.

Mr. Manness: Mr. Chairman, I would ask the presenter whether those employed in Crown corporations, Crown corporations that are in essence owned by the people of the province, the trusteeship of which is vested in the government, should be treated any differently—I am not suggesting for one moment that you would agree with any portion of the bill—whether or not they are employees of a Crown that has a bottom line profit, again, whether they should be treated any differently than a direct employee of the government.

Mr. Rudlak: I believe we should continue, as we have done in past years, to negotiate our differences whether we belong to CUPE or any other public service union or union that is in the public service representing public service employees to negotiate in good faith, to iron out our differences and come up with a contract that benefits both employer and employees. That is what negotiation is all about. In that way I feel we should all be treated the same.

Mr. Manness: Mr. Chairman, there are many—I share the sentiments of the presenter very strongly. I guess then I would ask him how then the remaining vestiges of final offer selection and arbitration itself would be—whether or not they would be in conflict with negotiation and bargaining.

Mr. Rudlak: Final offer selection was not something we looked forward to. It was an option provided by the legal provisions of this government. We were moving forward to final offer selection because that was what the law provided for, and we

intended to use it before we were cut short by the introduction of Bill 70.

Mr. Ashton: Indeed, the Minister of Finance (Mr. Manness) himself had agreed to allow final offer selection to stay in place. It was taken out when obviously he was afraid it might result in some fair settlements; it would not result in a wage freeze.

* (2140)

I ask you, and I am asking from your own personal perspective—you have a long record of service with MTS. You pointed out that there has been a pretty harmonious climate of labour relations at MTS. I want to ask you, what is the reaction of people you work with, people you know throughout MTS, in terms of this bill? Do they think it is fair that the government unilaterally, with the Crown corporation making significant profits, with a CEO that has a salary that is 15 percent higher than before—do you think it is fair to have their wages frozen? What do you think the impact is going to be on the climate of labour relations with MTS in the future?

Mr. Rudlak: I have only talked to one employee who applauded the appointment of our new chief executive officer. I have talked to many employees. I work with approximately 100 people in Steinbach, and I have talked to many employees and I have gotten nothing but negative reaction to the wage freeze and nothing but negative reaction to increasing salaries of higher executives within our company.

Mr. Ashton: Thank you for your presentation and, noting you are from Steinbach, I might suggest you encourage those other 100 tele-workers of yours to phone your MLA, who is a Conservative member, and encourage him to vote against Bill 70.

Mr. Edwards: It is very interesting that you, as a presenter with employment experience at MTS, come before us because, of course, we have already raised this here tonight, and Mr. Ashton has raised it with you. One of the glaring inconsistencies in this government's approach has been the exemption of certain high-ranking, highly paid civil servants, including Mr. Pedde, who is receiving a 15.4 percent increase to join the corporation. What was the past history of—I see the minister querying that. I hope maybe he will defend that; he has not yet. I hope he will defend Mr. Pedde's increase in salary to \$150,000.

What was the past comparison, in your experience in being involved with labour relations at

MTS, between the union negotiated settlements and the management settlements? Can you tell us, on a year-to-year basis, were they relatively close? Were the unionized workers receiving, to your knowledge, relatively the same as management employees, or do you know that?

Mr. Rudlak: Well, over the years the management sector has gotten increases. They just got a large increase a couple of years ago when they became organized. The front line managers, of which there are a fair number, became organized with an association, and at that time they did get a substantial increase. They had fallen behind our wages slightly, not to the point where they were getting less money than we were, but the difference was becoming less and less, as we continued to negotiate in good faith a working contract and they had no bargaining power whatsoever. Since they formed an association they have managed a little better.

Mr. Edwards: One further question. I do not know, I do not expect—I do not see it on the list—that we will hear from the CEO of MTS. He is on vacation, and I do not expect we may hear from some of the other Crown corporation heads as well.

What is your experience of management's response to this? Are they talking about it or are they apologetic about it? I mean, you are involved in negotiations. What are they saying about Bill 70?

Mr. Rudlak: Well, the management I have talked to are not happy about Bill 70, because it affects the majority of managers because of their association in their group called TEAM, and they are painted with the same brush. Their wages are frozen and they would also like to have an increase.

Mr. Edwards: Just following up on that, have you had any discussions or any reason to believe that management, those even nonunion positions at the upper levels, is concerned about the morale effect of Bill 70 on the work force and generally on the labour relationship between management and unionized workers at MTS? Is there a concern that you know of at MTS about that?

Mr. Rudlak: Many of the upper managers I have talked to are very concerned about morale. We had a chief executive officer previously who was a morale builder.

Floor Comment: Reg Bird?

Mr. Rudlak: That is right, Mr. Reg Bird, and he did build a corporate image and the employees were

quite happy with falling into that corporate structure. Since he left, we have become a little bit like a ship with a lose rudder and the morale is not what it was a year ago.

Mr. Chairman: No further questions? Thank you very much, Mr. Rudiak.

That was all I had at this time for out-of-town presenters. Were there any further out-of-town presenters who have come in since the last call? If not, we will revert to the top of the list. No. 2, Susan Hart-Kulbaba, Manitoba Federation of Labour. Just one minute until we distribute.

Ms. Susan Hart-Kulbaba (Manitoba Federation of Labour): I would like to say that I appreciate the opportunity to appear before committee tonight and that I represent not only the Federation of Labour and its 90,000 affiliated members at this meeting, but I am also the spokesperson for a coalition called the Coalition for Fairness, which represents more than 170,000 workers.

It is the MFL's responsibility to offer advice to government on matters important to workers and to oppose those things which threaten their well-being and security. It is clear that our responsibility is to oppose, as vigorously as possible, Bill 70 in its entirety.

On June 3, 1991, a government news release was made public announcing the government of Manitoba's intention to table and to pass Bill 70, The Public Sector Compensation Management Act. We call it the public sector destitution act. The news release stated that this was an effort to protect taxpayers' vital services and jobs by freezing the wages of some 48,000 public servants at their current level for one year.

The most obvious indicator of the gap between what the government says and what the government does is the fact that the wage freeze, which is meant to provide relief to the taxpayer, covers a large number of workers not paid by the public Treasury. These include employees at the Crystal Casino, Manitoba Hydro, Manitoba Telephone Systems, the liquor control board and the Manitoba Public Insurance Corporation.

In fact, this bill accomplishes much more than a wage freeze, in itself an unfair attack on the men and women it affects. It is a suspension of collective bargaining rights in that it extends without change the collective agreements it now targets. In some circumstances, this could even amount to eroded

benefits, in effect, concessions. The potential impact on benefit provisions in collective agreements which require periodic enrichment to maintain the level of benefits may affect dental care for employees and their children, or pension plans, as well as other benefit provisions common in collective agreements.

If collective bargaining, including the fundamental right to strike, is destroyed by Bill 70, how will changes to collective agreements to meet the changes in parental leave provisions in The Employment Standards Act be accomplished? The news release goes on to lecture the people of Manitoba that the provincial government cannot provide the foundation for economic renewal of this province on its own. Everyone must share in that goal. Well, that is interesting. This brief will have more to comment on these particular points later on.

* (2150)

For decades, Conservatives and their supporters in the corporate sector have chosen to malign and discredit the role public enterprise and public services have played in our economy. One facet of this attack has been to create a myth in the public's mind about those men and women who work hard to carry out this enterprise and these services. Using the big lie, and repeating it at every opportunity, the Conservatives have been quite successful in making the average citizen believe that civil servants are overpaid, underworked, secure for life, and contemptuous of the public. This tightly woven fabric of lies has made it possible for Conservatives and some elements of the private sector to blame just about every economic ailment or service frustration on the so-called lazy civil servant.

This and other circumstances have made it possible for Conservatives to underfund and understaff important services and enterprises, eroding the benefits to the general public, while blaming it on publicly paid workers. Ultimately, it has been possible for Conservatives to shut down or privatize these valuable services and enterprises made unpopular by understaffing and under-resourcing, without complaint from the general public. Examples that spring to mind are CN passenger services, its successor VIA Rail, and Canada Post.

In this circumstance, the government's communication strategy is to term Bill 70 as a wage

freeze for those overpaid, underworked, secure-for-life, contemptuous civil servants. Who in the general public would complain about that? That is your story and you are sticking to it, but in fact Bill 70 is much more than that.

On many occasions, Finance Minister Clayton Manness has outlined what he perceived to be his options: increase taxes on low- and middle-income earners, lay off employees thereby cutting the level of services, or a wage freeze. At budget time, he chose to lay off a substantial number of employees. We suspect more layoffs will be announced this fall. Now the Filmon government is adding a wage freeze and the removal of collective bargaining rights. Mr. Manness should have had the integrity to lay these plans out in his most recent budget.

The Filmon government claims the wage freeze is necessary to address immediate fiscal problems, that it is responding to trends in the private sector as it struggles to deal with the recession. Presumably, the government is trying to make a case for the analysis that inflation, high interest rates, and the recession itself, is linked to workers' wages, both in the private sector and the public. In fact, wages in both sectors have lagged behind the CPI increases for many years. While corporate profits have galloped ahead, the cost of living for the average citizen and their real earning power has been in a state of deterioration since the 1970s.

Wages have not led to the recession. Conservative government trade and economic policy have done that quite effectively. However, if you are suggesting that the wage freeze is necessary because the low- and middle-income classes have reached the taxation saturation point, then there is room for discussion. The MFL agrees that working people are overtaxed, but freezing wages is not the answer. Instituting a fair taxation policy is the answer.

Just a few decades ago, federal government income tax revenue was nearly equally derived from individuals and corporations. Today, less than 10 percent comes from corporations, the balance from individuals. In Manitoba, less than 12 percent of income tax revenue comes from corporations.

The payment of wages to a Civil Service structure that is too small to meet our needs is not the driving force behind tax pressure on low- and middle-income earners. It is that too little of the tax revenue that is paid to civil servants and used for

vital services and programs comes from corporations. If the government wants to address this deficiency, then do it through implementing a fair taxation policy, one that sees all pay their fair share of taxes. Do not do it by bludgeoning your workers with a blunt instrument like Bill 70. The immediate effect of Bill 70's wage freeze is to increase the financial penalty to one in 10 Manitoba workers, that is, lost wages in addition to excessive taxes.

Earlier, reference was made to a Clayton Manness quote inserted in the news release which announced Bill 70. It went: The provincial government cannot provide the foundation for economic renewal of this province on its own. Everyone must share in that goal.

Exactly. That means it is high time that everyone, including the wealthy and profitable corporations, paid their fair share of taxes. Filmon may not be able to provide for the foundation of economic renewal on his own, but he is doing a great job destroying the economy and workers rights.

Striving for a zero tax load on corporate Manitoba while overloading low- and middle-income earners with taxes is not the base of a promising future for our province. Tories are fond of saying that if we do not give business the same tax environment as an underdeveloped country has, then they will relocate there. Well, there is more to economic policy than that.

Get serious about the challenge of maintaining and improving our standard of living and our quality of life through a fair taxation policy. Invest in our education system to lure business here with a highly skilled work force. Promote the lifestyle advantages of Manitoba. Exploit our central geographic location. Develop an industrial strategy beyond calling the private sector the engine of the economy and then sitting back and waiting for it to do something besides pump profit margins up and then take the profits out of Manitoba.

Who is affected by Manitoba's wage freeze? Almost all of the workers in Manitoba who are paid from the public purse, including the single mother working as a hospital worker to support her children on wages that are below the poverty line for a family of four. Who is exempted from his wage freeze? The government news release indicates the highest paid, including government-employed doctors and judges. The head of MTS takes over his new job

after the government sweetens the salary by 20 grand. The Conservative's political staff and stooges received their big increase last year. A wage freeze this year has remarkably little sting.

Bill 70 is a vicious attack on the collective bargaining rights of workers in Manitoba. Premier Gary Filmon has chosen to sell this attack to the people of Manitoba by draping it in the big lie again. Government has removed the right to bargain collectively from 48,000 working men and women immediately and has built in the necessary provisions to extend the net even further with a back-room decision.

Gary Filmon, Clayton Manness and the rest of the Tory Caucus have resorted to a back-alley mugging to win the goals they could not win at the bargaining table. When the law of the land frustrated their attempts to have their way, they turned the Legislature into a tool of political terrorism by proposing to pass laws that suit their purpose. We call it the second club of the employer.

Objective, independent, third party observers have noted the near complete absence of good-faith bargaining with government employees in handing down their decisions in final offer selection applications. These are the same FOS decisions and arbitrations government proposes to reverse with Bill 70. They refuse to bargain, then they strip away workers rights when it backfires on them.

Had the government any interest in collective bargaining, it would have realized that unions have responded to difficult conditions in the past. Unions have agreed to zero per cent increases both in the public sector and the private sector when conditions warranted it. The fact that the Filmon government abandoned good-faith collective bargaining in favour of this legislative assault only confirms the absolute contempt it has for a good labour relations climate and for the men and women who work for them.

Clauses 1(g), 2(1), 9(1)(b) and (c) and 10 make it plain how much scope the government feels it needs. Under these clauses they can pick and choose just about any group of working people to attack. Their statements that this is not their intention are just more examples of their ability to say one thing, when it serves their purpose, and then do the opposite.

The Filmon government has made a political career of doing just that.

The Premier has said he supports free collective bargaining, and then he introduces Bill 70 to begin its destruction.

He tells doctors they deserve binding arbitration, then Bill 70 is broad enough to cancel that arbitration decision if he does not like it.

He cuts funding for public education because he says the people cannot afford it, and then he boosts private school funding at St. John's Ravenscourt and Balmoral Hall because now we can afford it.

* (2200)

Child care goes begging while corporate taxes go uncollected or forgiven.

Gary Filmon even campaigned in a borrowed canoe to convince us of his deep and abiding concern for the environment. Now he presides over the development of Oak Hammock Marsh by his well-heeled friends.

Well, the people of Manitoba have learned some hard lessons. They know they cannot trust this government; they cannot trust Gary Filmon or Clayton Manness; and they cannot trust Conservatives.

After riding roughshod over the rights of workers, this government has the nerve, the absolute gall, to build into this fascist document—and I am serious about that, I very seldom use that word, it is a fascist document—a clause that enables them to expand on their attack through a Cabinet decision—no legislation, no debate, no public accountability on the floor of the Legislature. Let me read out loud section 9(1)(f): The Lieutenant-Governor-in-Council, that is Cabinet to my understanding, may make regulations respecting any other matter considered necessary to carry out the purpose and intent of this act. Lovely, absolutely lovely.

Another sterling example of the arrogance and excessiveness of the Filmon government in this bill is the clause which makes all other legislation subservient to Bill 70, just in case there may be a measure of fairness available elsewhere in our legal code. What is the purpose of making human rights legislation take a back seat to Bill 70?

What is the purpose behind suspending the right to collectively bargain nonmonetary clauses in collective agreements, such as language dealing with sexual harassment, work scheduling, seniority rights, employment equity?

This is legislation written by a government which has nothing but contempt for the rights of every working Manitoban.

One of any government's strongest moral responsibilities is to behave in a manner that can serve as an example for the rest of society to follow. When private sector, unionized employers see their government engaged in a vicious assault on its employees, what are they to think? They will think that it is open season on workers, on their unions and on anyone who complains. After all, there is the government using its power to destroy collective bargaining and force workers to pay the cost of its morally bankrupt and inept policies. There is the government gutting its own regulatory agencies so that enforcement of even basic rules is nearly impossible.

That is the legacy of Bill 70—confrontation, bad faith bargaining, a soured labour relations climate. That sure sounds like a great place for out-of-province investors to bring their money, does it not?

In addition to the impact on labour relations, the small business sector will be under even greater pressure as publicly paid men and women plan their next year's spending with even less disposable income. How is that going to improve the province's economy, facilitate its recession recovery and attract new investment and new jobs?

Bill 70 has managed to create a pandemonium in some of the workplaces that it covers, particularly where some members of the bargaining unit are covered directly by the bill, while other members of the same bargaining unit are deemed uncovered by the press release.

Bill 70 raised many questions in the minds of those outside of government circles—and, we suspect, within the minds of many inside government circles. For example, what is the intent of clause 8? There is reference to any agreement, not only collective agreements, where payment is made directly or indirectly by government. If, as the government maintains, Bill 70 is not meant to apply to the private sector—or is this another case of saying one thing and doing another?—does this indicate that Bill 70 covers private contractors delivering highway maintenance services? Does it mean that contracts between the government and Pitblado & Hoskins are covered?

The MFL is not clear on why the government would want to create a two-tiered contract system within the health care system which is precisely what happens when nurses represented by the MNU are exempted from the provisions of the act and nurses represented by the Public Service Alliance of Canada are covered by it.

Manitoba Telephone System may come under federal jurisdiction by as early as this fall. How will Bill 70 interact with the Canada Labour Code?

The Filmon government has deliberately masked its antiworker intentions with uncertainty and ambiguity in Bill 70, and devised a wage freeze communications strategy to sell it to the people of Manitoba through the big lie. It confirms that no one, absolutely no one, can trust this government.

Bill 70 is completely without merit. It must be withdrawn. If the Filmon government has any interest in good faith bargaining, it would sit down at the bargaining table and lay their cards out. They should make their case for a negotiated zero percent increase. Choosing the back-alley attack over good-faith bargaining is a dangerous path to tread. The casual destruction of rights for one group of Manitobans should be viewed by the rest as a dangerous development. Many democracies have slid into right-wing police states through government attacks on the rights of individuals in an identifiable group, and it has always been in the name of the greater good.

The Manitoba Federation of Labour is concerned that the Draconian approach to imposing government will that Bill 70 represents is a disturbing glimpse into the future. The erosion of workers' rights and anti-union legislation is exactly what the Conservative Free Trade Agreement needs to operate fully in Canada. Bill 70 is the opening crack in the door in Manitoba to enact more free trade legislation.

There are other equally disturbing manifestations. The Tory butcher job done on The Workers Compensation Board Act and the government discussion paper on the future of private sector pension plans are plainly not in the interest of workers.

Is that what we have to look forward to when the Conservatives sharpen their knives and review labour legislation next session? If that is indeed your plan, be advised that you will have the fight of

your political lives on your hands, both during this process and in the next election.

Mr. Chairman: Thank you, Ms. Kulbaba. I do believe there are a few question for you.

Ms. Hart-Kulbaba: Oh, I am not surprised.

Mr. Manness: Your biting attack on Bill 70—can I ask you, at the bottom of page 2—

Ms. Hart-Kulbaba: Certainly.

Mr. Chairman: I am going to ask the members of the public to please remember that there will be some decorum in this meeting.

Mr. Manness: Mr. Chairman, I would ask the presenter, at the bottom of page 2, and I am quoting from the brief: "In this circumstance, the government's communication strategy is to term Bill 70 as a wage freeze for those 'overpaid, underworked, secure for life, contemptuous' civil servants." Whose words are you purporting those to be?

Ms. Hart-Kulbaba: Those are our words previously in the brief.

Mr. Manness: I see, so they are your words and quotes, and not anybody in government's, no communication of government, is that correct?

Ms. Hart-Kulbaba: The communication strategy all along has been to build in through the big lie theory that all of these government employees are, in fact, dispensable, disposable and overpaid. We have heard remarks about how they can afford to have wage freezes while others cannot, and that is the kind of argument being put forward. We have heard discussions about the services that they have provided and the general theme over the past few years has been, in terms of a communication strategy, to lay that kind of a theme out about public sector workers. Then you can go forward with this big lie believed by many people and expect very little ramifications from legislation such as this.

I am sure that is what the pollsters said, and I am sure that is why we were getting remarks about this is only the union leadership complaining, that no one else cares and that only 13 people would show up at a rally, that no one else really cares. We have news for you. A lot of people really care.

Mr. Manness: Well, Mr. Chairman, I echo what the presenter said. I mean, this is a very important issue and, as the government said in bringing it down, it did not do so with pleasure or great satisfaction.

Let me ask Ms. Hart-Kulbaba this question. Page 3 in the presentation, the presenter calls into question I guess my integrity, by not providing an indication before the budget as to what our position was with respect to offers. Is it not a fact that before the budget I had laid out our ability-to-pay option, particularly to the Government Employees' Association, at zero and 2 percent, and a guarantee of job security in some fashion? Was that not laid out, because I know it was—

Ms. Hart-Kulbaba: Not yet.

Mr. Manness: —and can the presenter indicate to me why it might have been rejected, given that it was attempted to be offered through a collective and negotiated basis?

Ms. Hart-Kulbaba: Since I was not a party to those discussions, I can only presume what happened through secondhand information. I have heard secondhand from you and I have heard secondhand from other individuals available on the other side. In fact you did, at that point in time, suggest that there was a problem and that is why you were laying off up to 1,200 civil servants, and you did that in your budget. The staff years that you cut in your budget were as a result of your discussions about ability to pay.

* (2210)

Now, the discussions that I am aware of about job security, any job security offer in negotiations in fact came after the cutting of staff years in your budget. So there is little good faith in saying: Now that we have cut all your jobs, we will promise you job security until the next budget. Well, excuse me, it was already done.

In terms of the zero percent offer, as you call it, it was taken to the membership, as far as I know. I am sure the president of the union here, the MGEA, will be able to articulate that further, but to my knowledge that was in fact taken to the members. They voted to go to arbitration after that because, as we have seen through other documents with other bargaining going on with civil servants and public sector workers, bargaining—and I am not sure, maybe you do not understand what bargaining is. I mean, I think that is really naive and I would hope that you are that naive, because otherwise I would really start to be cynical about the behaviour of this government.

I am perturbed if you do not understand that bargaining means you go in with a position and you

have both the desire and the ability to move on a position. It is not a decree from on high where king Gary Filmon says to the serfs: You will have nothing. Bargaining is the ability and the willingness to move and try to come to some agreement on how we can best accomplish what we both need. Now what we clearly saw from David Bowman's award with the operating engineers, and he states it very clearly, is that there is no evidence whatsoever of collective bargaining on behalf of the government as an employer. Well, it is no wonder they choose arbitration and final offer selection if you will not talk to them, if you walk in and say no, this is it, no, no discussion, nothing. I mean, there is no bargaining.

So perhaps what we need to do is have the Federation of Labour sit down with the Tory caucus and do a collective bargaining course over a weekend for you. I do not know.

Mr. Ashton: I like that comment, because if the Minister of Finance (Mr. Manness) feels that it is collective bargaining to put a gun at the head of public sector workers and say: Here is an offer, take it or leave it; if you do not take it, we are going to legislate it—that is not collective bargaining.

I want to deal with some of the comments presenters made in terms of the way this government has sold this particular item of legislation. When the Minister of Finance (Mr. Manness) says they had no great pleasure in bringing this bill in, I am sorry, I have debated this bill in the House, as have many members of our caucus, and I have seen the smiles on their face, I have seen the hoots, the derision. I had Tory members singing "Solidarity Forever," they thought it was rather funny, and I was quite insulted by the attitude.

(Mr. Gerry McAlpine, Acting Chairman, in the Chair)

I want to tell you what they have been saying and ask you directly whether this is in fact the case. They have been saying, it is the union bosses—and these are direct quotes—it is the leadership that is concerned about this. I have heard from ministers, the Minister of Labour (Mr. Praznik) said in this committee room several weeks ago that he talked to some people who liked it, I believe it was two or three people, and in fact it was not a major concern. I think he also indicated he had not received many phone calls. That I believe has since changed.

Mr. Acting Chairperson, I have the quotes for the minister if he conveniently forgot that. The minister responsible for Hydro, in the House said that Hydro workers were overpaid; the minister responsible for Hydro said that Hydro workers were overpaid. The Minister of Finance (Mr. Manness) and the Premier (Mr. Filmon) both trotted out statistics. I noticed the Premier yesterday, when he was appealing to the Tory caucus, was talking about civil servants—well, indeed it is a question for clarification to the Attorney General, because this is what they have been saying in the House.

I want to ask you first of all, you mentioned that you are the spokesperson for the Coalition for Fairness, and I am wondering if you can give this committee some idea of how broad that coalition is and, in particular, in terms of the labour movement, is that strictly, for example, unions affiliated with the Manitoba Federation of Labour and, if not, could you outline for the committee what that coalition represents.

Ms. Hart-Kulbaba: This coalition represents many of the employee representatives who are covered by this legislation as well as those who are not covered by this legislation, who fear what this legislation could mean to them down the road in terms of expansion of the legislation and who fear the precedent in the attack on collective bargaining. It certainly does not take in only our affiliates, it takes in the affiliates of the Canadian Federation of Labour, the Manitoba building trades; it takes in many of the independent unions, including the Nurses' Union and the Teachers' Society; it takes in federal Civil Service unions as well, who happen to have some members working in provincial jurisdictions, so it takes in the Public Service Alliance and PIPSC; we have CAIMAW at the table with us, traditionally a relationship that has not been what I would consider the strongest. All of those groups, some of whom have considered themselves professionals, many of whom consider themselves blue-collar workers within the Civil Service, within the public sector and outside of the public sector are all in this coalition. It is very broad and they are all very concerned about the first step in the destruction of labour relations and, for lack of appropriate terms, what is better known from the U.S. as right-to-work legislation.

Mr. Ashton: Mr. Acting Chairperson, I want to go one step further, because the suggestion has been made by the Conservative government that

somehow there are a lot of public sector workers out there who support this. I found it interesting earlier that we had a presentation from a 34-year employee of Manitoba Telephone System saying that in his area, out of 100 people—this is in Steinbach—perhaps one person at most had indicated anything positive on this particular bill. As the head of this coalition, what is the message you are getting from the organizations that are represented in the 170,000 Manitobans? Are they for this bill in any way, shape or form, or are they opposed to it?

Ms. Hart-Kulbaba: They are absolutely opposed to it. They find that there is fear within some ranks about repercussions if they become public, so they are asking their representatives to take forward their message for them that they are opposed to this bill. They feel that there are other ways of being able to make funds accessible to pay them, and they just feel very unfairly treated and targeted by this government to shoulder the burden of the recession and the economy.

Mr. Ashton: I want to ask a further question, too, in terms of the impact this is going to have on labour relations. I referenced this earlier. We have had the second lowest strike rate in the country in this province traditionally because of the kind of labour legislation we have had and also the attitudes built up between employer and employee. What is your analysis of this government, using its majority, pushing through this bill? What is this going to do to labour relations in Manitoba?

Ms. Hart-Kulbaba: It has already fractured it severely. It is going to be a very, very long time, I think, before there is sufficient trust within the labour relations community, within labour management government relations to be able to come to some positive and progressive steps. We are seeing within the private sector already ramifications of this at the bargaining table. We are seeing zeros in profitable corporations coming up requesting that private sector workers now do their bit to help shoulder the economy. The government was saying it is time for public sector workers to do it because the private sector ones have already done the suffering. It is going to be a downward spiral. Small business is going to take the heat and so are we, and we are not about to sit back and take it any more. Frankly, we cannot. When you have nothing left, you might as well fight.

Mr. Ashton: Indeed, as we see by the numbers of presenters, as we have seen in public events,

people are certainly fighting back. I have just one final question because the purpose, hopefully, of these committee hearings is to allow members of this committee the opportunity to hear directly from people who are being affected by this or seeing the ramifications of this bill, the kind of impact it is going to have. I know, in the case of our caucus, we have been outside of this building talking to people, whether it be MTS or Hydro or the Civil Service, et cetera, and I certainly know first-hand what people are saying, the 48,000 Manitobans affected.

Perhaps some of the Conservative government members have not had the opportunity to get out of the sort of bunker mentality that people can get into in this building sometimes. I would like to give you the opportunity and ask you what you would say to them in the hopes that, even if they do have a majority, perhaps there are one or two or three members—it would only actually take one or two members either to abstain from this bill on the Conservative side or to vote against it, to defeat this bill. What would you say to them, those who might still be thinking on this issue, might have an open mind, might have a conscience, to persuade them to vote against Bill 70?

Ms. Hart-Kulbaba: I would like members of government to talk to their constituents who would be affected by this, and actually have to look in their eyes and tell them into their face what you are doing to them, because the pat on the arm about "we really wish we could do something, and you are lucky to have a job" really does not go very far in the long term. It does not feed their kids. It does not make up for the GST. It does not make up for any of the increases. After you have looked them all in the face and tell them that, think hard about what you are doing.

* (2220)

Are they just going to turn around and say, well, that was another nice one-liner from a politician who I do not trust any more and who I do not believe any more because politicians are not working in the best interests of myself? Then they turn around and go and vote against you. If that is the only thing that will make you move, the fact that people are going to vote against you because you are cold enough to look at them in the eye and tell them what you are doing, then I would say, you vote that way and you watch what happens later.

Mr. Ashton: I thank you for the presentation, and I hope that this committee will give members of the government the opportunity to do that directly, look directly in the face, listen directly to people who are affected by this bill. I can indicate that we certainly will be making sure they listen. If they turn a deaf ear, that is one question, but as one person in public life who does get frustrated by some of the cynicism we see sometimes, I really hope that—institutions such as this—we are the only province that has committee hearings on all bills. I hope that it can make a difference in persuading the government to turn back on this very, very bad piece of legislation. Thank you for your presentation.

Ms. Jean Friesen (Wolseley): I would like to thank you as well for the presentation. One of the areas I wanted to pick up on is, I think, to say that not only is this an unconscionable attack on collective bargaining rights across Manitoba but it seems to me that it is also a deliberately clear-cut attempt to undermine public service unions, and that I think is part of a much larger agenda of a very right-wing government which is attempting to reduce the public sector in Manitoba. I think you made some references to that on page 2 of your speech where you talked about the understaffing and eroding of the benefits to the general public while blaming it on the unions themselves.

It seems to me that one of the things the government is doing—

The Acting Chairman (Mr. McAlpine): Order, please. Do you have a question, Ms. Friesen? Would you put your question now, please.

Ms. Friesen: It is directly related to the presentation. I am asking for some reflections from the head of the Manitoba Federation of Labour on this. What I wanted to ask was that—

The Acting Chairman (Mr. McAlpine): Ms. Friesen, would you put your question now, please. -(interjection)- Order, please.

Ms. Friesen: I wanted to ask you about the role of this government in using the power of the state to tip the balance in favour of private interests and privatization, and I wanted your reflections as the head of the Manitoba Federation of Labour on those kinds of issues in Manitoba from a labour perspective. Do you see that longer-term role or purpose of government in this?

Ms. Hart-Kulbaba: Absolutely, absolutely we do -(interjection)- I am sorry, Mr. Acting Chairman,

force of habit. Absolutely we see this as an attempt to bring services to a level where everyone will say: It is costing us too much, it is not making any money, it is employing too many people, it is a burden on the taxpayer, and therefore, we must sell it off. We have from time to time wondered about that, for instance, at Hecla Island. We are worried about it in terms of what we see at MPIC, and you can talk about it in all sorts of places where rates increase, people are overworked. I mean, Child and Family Services is a perfect example of a place that was so overburdened and overworked, and then they use all the little complaints in the world to suggest that it is not doing a fine job, and we should get a hold of it and fix it, so to speak. We are very concerned about that.

We are concerned about it at the Telephone System. We are concerned about it in lots of places, and we feel that it is in fact a deliberate attempt to undermine and privatize.

The Acting Chairman (Mr. McAlpine): Are there no more further questions? Thank you for your presentation, Ms. Hart-Kulbaba.

We call now Al McGregor or Gord Hannon from the Manitoba Association of Crown Attorneys. Mr. Peter Olfert, Manitoba Government Employees' Association. Do you have some presentations for the members?

Mr. Peter Olfert (Manitoba Government Employees' Association): Yes, I do.

Members of the legislative committee on Bill 70. I would like to thank you for the opportunity to be here today to make this presentation.

As you are probably aware, the Manitoba Government Employees' Association is Manitoba's largest public sector union. We represent approximately 25,000 workers across the province. The work our members do is as varied as the services they provide. Nurses, firefighters, clerks, homecare workers, claims adjusters, liquor workers, casino dealers, college instructors, correctional officers, social workers, natural resource officers—the list is nearly endless, representing about 225,000 years of service to the public in this province.

Our members are the people who carry out government policies to the best of their ability and often in very, very difficult circumstances. I am proud to represent them, and I am proud of the work that they do. It is time that this government honestly

recognized the value of their services to the province.

(Mr. Chairman in the Chair)

This lack of understanding and the government's recurring tendency to scapegoat and blame our members has been ongoing since 1988, but after the government gained a majority in last fall's election there was a rapid escalation in the government's antilabour actions. These actions are all the more remarkable when you note their similarity to the actions of the two most hated governments in the nation, the Mulroney government in Ottawa and the Devine government in Saskatchewan.

The Mulroney government's attack on the public service through privatization, contracting out, mass firings, and wage freezes have an eerie ring to them when one examines the Filmon government's record. The same things are happening here.

The other government most imitated is the Devine government in Saskatchewan. The new bill on college governance, decentralization, the Family Services agency centralization, privatization, contracting out, employee bashing—all of these are actions taken first in Saskatchewan, and all have resulted in disaster.

The Premier should think about the long-term implication of what he has begun here in Manitoba. If he wants to end up like Devine and Mulroney have, then he has certainly made a good beginning.

For the record, I want to give several examples which illustrate the contempt that this government has shown for its employees and its insensitivity towards the lives of our members and their families. These events illustrate the unfair and unilateral actions being used against workers in the public sector.

* (2230)

In November 1989 the Premier announced in Brandon that 621 positions would be decentralized to rural Manitoba. The MGEA was informed of this at the same time as the announcement was being made in Brandon. A task force of senior ministers and senior bureaucrats decided that certain services would be moved to rural Manitoba. This secret report made recommendations to cabinet which were announced in the spring of 1990.

During this process, there was no consultation with the workers who deliver the services. The

rationale for the recommendations and the cost associated with these moves was never disclosed to the public.

The employees were given a choice: Move or lose your job. That was their option. There was no guaranteed redeployment or retraining for those who chose not to move or for those who could not. There was no compassion shown in this whole process, only the heavy hand of government action.

The events of April 16, 1991, again serve to illustrate the uncaring approach taken by the government in dealing with its employees. After months of rumours about mass layoffs and cuts in government programs, the MGEA was called into a meeting with the Minister responsible for the Civil Service (Mr. Praznik) in the afternoon of April 16, and while the bells calling members into the Legislature were ringing, he handed us a piece of paper outlining the departments and the number of employees to be laid off effective immediately.

Employees were escorted to and from meetings with deputy ministers who fired them and gave them 10 minutes to clear out their personal belongings. Is that any way to treat employees after years and years of dedicated service to the public in this province?

Again, an example of an uncaring employer in a democratic society. These are only a few examples of how this employer has chosen to deal with its employees, and now we have Bill 70. Bill 70 is only the latest in a series of events which demonstrate the bias of this government against its employees.

Not too long ago, I agreed to meet privately with Mr. Filmon, off the record at his request. You can imagine my disgust when his minister, Clayton Manness, spoke in the Legislature about this private meeting, especially when his characterization of what occurred in this meeting was highly inaccurate.

Last fall it became evident that bargaining was going nowhere. In fact, to dignify what happened at those meetings as bargaining would be gross exaggeration. The government refused to deal with one substantive issue during the long months and months of meetings.

No wage package was presented until January when a zero percent and 2 percent offer was presented to us an hour before Mr. Manness held his press conference, publicly announcing the government's offer to its employees. This bad faith has been evident in other ways as well.

On October last, Mr. Filmon stated in the Legislature and I quote: The fact of the matter is, there is no club and there never will be from this government. We will act in good faith at all times in the open, free collective bargaining process with all of the employees with whom we have to negotiate.

So much for that integrity; so much for honesty.

The other disturbing aspect of Bill 70 is that it is merely a single expression of this government's contempt for the people it claims to represent. No consultation, no dialogue, no debate; this is the new order of the day.

Bill 49, the act on college governance, the recentralization of Family Services, cuts to our parks and road systems, major cuts to community colleges, hundreds of instructors laid off, cuts in their funding. All of these things have been done without even the most minimal recognition that we live in a democracy.

Apparently, Mr. Filmon, Mr. Manness, and all of the rest know better. It seems to me that the true measure of a democracy in sound working order presupposes a degree of tolerance, an awareness or a spirit which is not too sure it is right. This government has failed that measure completely.

What specifically has Bill 70 done to our members? It has destroyed collective bargaining as a start. With the stroke of a pen, this government will be able to outlaw collective bargaining.

Secondly, Bill 70 has frozen the wages of some of the lowest paid workers in the public sector, nurses aides, home care workers, lab technicians and the list goes on, while excluding doctors, judges, professors, MLAs and others, while tax giveaways to corporations remain untouched or have even been enhanced.

Third, Bill 70 is a piece of legislation which has taken away important civil rights, hard won civil rights under false pretence. The people who deliver the services in Manitoba are not the cause of the deficit. In fact, salaries for our members make up a smaller percentage of the government expenditures than in previous years. Bashing government employees may sell among some groups, but it is not supportable by any reasonably applied standard of fairness, and Manitobans have a deeply ingrained history of fairness. The politicians who ignore this do this at their own peril. The final measure of legislation is the degree to which it affirms some degree of social consensus while paying strict

attention to the protection of the rights of all of those affected.

This legislation fails this final test as well. There was no bargaining. There was no consultation. There was no honesty. This legislation is a complete denial of what a democracy is supposed to be. This bill cannot be improved or amended in any way that would make it more palatable. It must be defeated. I urge all of you on the committee to work together to defeat this bill. The contempt for Manitobans, which Bill 70 embodies, is a dangerous precedent. Whose rights are going to be taken away next? So please, defeat this bill.

Finally, I want to give this government fair warning. We at the MGEA have tried everything in our power to negotiate, to bargain, to be reasonable, but this legislation is the end of the line. If this bill is passed, the MGEA will use all of its resources towards the goal of taking on this government on every issue, because we believe this government has abandoned its responsibilities to Manitobans and its employees. Bill 70 is the death of public sector bargaining in this province. Bill 70 has also destroyed labour relations in this province for many years to come. Bill 70 is nothing but an exercise in public relations. The proposed wage freeze will not lead to economic renewal in this province, no more than the federal government's 6 and 5 program brought down inflation.

Changing the rules in the middle of the game in 1991 is unacceptable. I would urge the committee to ask the government to come to its senses and respect the Premier's (Mr. Filmon) previously stated commitment to free collective bargaining. Thank you very much.

Mr. Chairman: Thank you, Mr. Olfert. There will be a few questions, if you do not mind.

Mr. Ashton: Mr. Chairperson, there will be a few questions, certainly from our side and certainly to Mr. Olfert as president of the MGEA.

I mentioned earlier about an exchange that took place in this very committee room with the Minister of Labour (Mr. Praznik) when I had asked the Minister of Labour, who had seemed at the time to be fairly quiet on this issue, whether he as Minister of Labour was speaking on behalf of Manitoba workers against this bill. He indicated that he fully supported it. He went further, and for a while there I wondered if he was taking his title as Minister responsible for the Civil Service Commission to

entitle him to speak on behalf of civil servants when, in fact, he started suggesting that civil servants actually supported this bill.

Hon. Darren Praznik (Minister of Labour): I did not say that.

Mr. Ashton: Well, I can take the minister to read through his comments in Hansard. I understand you challenged the minister, if he thought he was so knowledgeable about the views of civil servants, to run for the MGEA presidency. I am wondering if the minister has taken up the challenge and will indeed be running against you, and indeed, will have the opportunity to find out who does indeed speak for Manitoba civil servants.

Mr. Olfert: Just on the challenge, I did challenge the minister who had not spoken on the issue from June 3 until—June 12 was the first time that the minister responsible spoke on this issue publicly, and I challenged him to a debate on CJOB, which he refused to respond to.

* (2240)

Mr. Ashton: Indeed—well, the Minister of Finance (Mr. Manness) says it is his bill. I would think the Minister of Labour (Mr. Praznik) would speak—

Mr. Chairman: Order, please. I would ask the members to please not debate at this time. We are asking questions of Mr. Olfert.

Mr. Ashton: Mr. Chairperson, if the Minister of Finance would allow me to continue, I would like to ask the president of the MGEA, one of the concerns that has been expressed by the government—or not concerns; they have often suggested that there is somehow not that much opposition. The phone calls, they dismiss; the protests, they dismiss. I am sure at some time they will try and dismiss 500-odd presenters.

I have heard reference to the fact, and I have talked to civil servants who have indicated that they, too, would like to express their views on this but they are afraid; 968 Civil Service positions have just been eliminated. There is talk of further layoffs and cutbacks in positions.

I am asking you, in direct relation to Bill 70, whether you are picking up those kinds of fears, obviously as someone who is in daily contact with civil servants in this province?

Mr. Olfert: There is no question that people in the Civil Service are very afraid of what could potentially happen to them as individuals. They have seen

others being laid off, others that have been fired, and the kind of Draconian legislation that has been now added to that in the form of Bill 70, tabled June 3 in this province. I can tell you that not only are members afraid to appear here, but many of our members did not come out to the rally for fear of being seen by various senior people in the government, and obviously the morale is very, very low in the Civil Service as well.

Mr. Ashton: It is indeed a sad state of affairs, Mr. Chairperson, when members of our Civil Service have that fear, and quite frankly I do not blame them, given what has happened. I wish we had the opportunity in this committee to deal with some of those events which are certainly related, but I understand the rules which restrict me in terms of questioning on Bill 70.

I have a further question, and you have touched on it in terms of, I think, the frustration that you expressed about your dealings with this government. I understand that. I remember signed agreements that we have had as an opposition. We had one on final offer selection that was signed by the Minister of Finance (Mr. Manness), which said that it would apply until March 31. You represent the casino workers who went on strike, who settled, who went to final offer selection, received a selector award in their favour and are now under Bill 70—or would, if this bill was passed, would receive nothing.

I am wondering if you could outline to members of this committee, focusing again on how this bill is impacting on real people, how the people who work for the casino have reacted to seeing this government turn around and take a signed document, that said that final offer selection would apply in their particular case, and now say that no matter what they signed a few months ago, it is heads I win and tails you lose, in terms of bargaining, and they lose. What is the reaction of those casino workers?

Mr. Olfert: Well, there is no question that things at the casino are not very good in terms of morale, because I was the one that took the final offer selection award over to them. After twelve weeks of a strike, and they were able to gain a first collective agreement last year, then to apply for final offer selection, because they were able to get nowhere, absolutely nowhere at the bargaining table with the Lotteries Foundation—these people are not highly paid employees. They are very skilled, however, and make a lot of money for the

Province of Manitoba in terms of the revenues that they provide.

We went to final offer selection and received the award four days before this bill was tabled. When I went over to talk to them after, they were very despondent and very upset about this kind of legislation, scoping in a group of workers who are not highly paid. They earn, on average, about \$10 an hour and work hard and long for the Province of Manitoba. I can tell you that they are not a bunch of happy campers working for the casino currently.

Mr. Ashton: You once again, express your frustration in dealing with this government and that is understandable given the type of attacks we have seen on the MGEA from a government that became flustered, obviously, when their take-it-or-leave-it offer was not accepted by the MGEA, but I want you to look ahead into the future. I think you have indicated to a certain extent just how bitter civil servants are in this province. What do you see for the future of labour relations, particularly with the workers that you represent if this bill is passed, if the words of the government on other issues such as final offer selection mean nothing, if those hollow statements about collective bargaining only a few months ago made by the Premier (Mr. Filmon) obviously no longer apply? What is that going to lead to in the next number of years for the civil servants and labour relations within the Civil Service in Manitoba?

Mr. Olfert: Well, it is obviously going to make things very difficult, there is no question about that, but more than just the Civil Service. I think this bill, if passed, is going to be very detrimental to labour relations, in general, with any dealings that the labour movement has with the government. Obviously, I represent people in the Civil Service and Crown corporations, and agencies of the government, and I can tell you from my past experience that things were very, very difficult under several years of Sterling Lyon when he took it out on government workers and it made labour relations very, very difficult during that period of time.

I know that even considering any kind of a deal with this government is going to be very difficult in terms of are they going to live up to it? Are they going to change the rules after they have agreed to it? Is a Cabinet minister's signature on any document really any good anymore? That is the perception of our membership, that if you can change the rules in the middle of the game, what

good is there on a document signed by a member of the government?

I mean, those are the kinds of feelings that are out there and it is going to be very, very difficult on even the smallest item to reach any kind of agreement on any issue with the government because it is a matter of trust. We feel that trust on the part of the government is no longer there. We do not feel that we can sit down and negotiate on any issue at this point in time.

Mr. Ashton: I appreciate your frustration, appreciate your comments and, particularly, in reference to the fact there is no social consensus on this. We had an election in Manitoba in September and there was no reference then. I certainly understand that because I see it as a politician on a daily basis when I see signed campaign commitments broken, and I can understand the frustration of your members. Thanks for the presentation.

Mr. Edwards: Thank you, Mr. Olfert, for coming forward and for your presentation today. Can you tell members of this committee, because the government has talked a lot about the negotiation history with you in the months before the introduction of this bill—I would like some of that clarified from your point of view. When did the MGEA first learn about the use of legislation and whether or not it was communicated to you that they were considering using legislation, or when you first learned that they were going to use legislation?

Mr. Olfert: The first time that I became aware of this bill being introduced was 15 minutes before it was introduced. I had a call from staff relations branch at the Civil Service Commission who in a frantic attempt to get hold of me had indicated and left a message that there was legislation that was being presented by way of a press conference in the Legislature. Several of my staff went over to attain the news release from the government at the news conference.

Mr. Edwards: I appreciate that is when you learned that it was being introduced. Were there threats made that legislation would be used by the government in your negotiations with them prior to the actual introduction of it?

Mr. Olfert: No, there were never any threats made to me specifically with respect to the government even contemplating bringing in legislation, so that was never an issue between any dealings that I had

with either the Finance minister or the Premier or anybody from staff relations.

* (2250)

Mr. Edwards: There has also been discussion—you have heard it here tonight already, the Finance minister has put it forward to another presenter in defence of his position—that there were certain discussions around you putting an offer to your membership which was zero and two with no layoffs. That occurred sometime, I believe, I am not sure of the date. Perhaps you can tell us.

What happened around that offer? Specifically, you know that Ms. Hart-Kulbaba has given some secondhand information. Can you give us some firsthand information? I only ask that because the government has staked a lot on that. As you know, they did it by way of press conference and have used this extensively to defend their position with respect to this bill.

Mr. Olfert: Just for a little bit of background, January 18 was the first time that we were presented with—and it was tabled as a take-it-or-leave-it offer—zero percent for the first year, two percent for the second year, some convoluted formula of expenditures or revenues increased in the province. We would get some kind of a pittance from that increase in revenue, but there was absolutely no job security tabled at that time.

Then I went on a tour of the province. I spoke to over 7,000 of our members in less than a week at various meetings around the province. We had about 4,000 people at the Convention Centre the one night. We put to them that offer. At that meeting, they rejected that government's position of zero and two and no job security.

Then on February 15 we sent out a ballot. The ballot was sent to all MGEA members. Our members voted 97 percent to reject the government offer of zero and two, and to opt for the option under the Civil Service Act to go to binding arbitration to have the contract resolved.

Mr. Edwards: Just so I am perfectly clear. The initial offer was zero and two, no job security.

Mr. Olfert: That is correct. The first time that job security was mentioned was May 9 when the Minister of Finance (Mr. Manness) announced to the media a substantive offer had been given to the union. That was substantive. After the budget cut on April 16 when 958 Civil Service positions were slashed, funding cuts eroded in every department

or pretty well every department, he now says that a substantive offer has been given. It is now zero first year, two percent in the second, the same convoluted revenue sharing proposal, and no layoffs until the next budget.

After the damage has been done, he offers a no-layoff provision up until the next budget. So, in essence, there was absolutely no change from our perspective. After the damage had been done in the budget—I mean, why would even we want to look at a no-layoff provision when, obviously—and I think the minister is quoted in some media or Hansard as saying, well, we were able to do this because our planning is now finished for this year.

Mr. Edwards: Just the one date I missed and it may be on the record. When was the referral to arbitration made by the MGEA?

Mr. Olfert: I do not have the specific date that we applied, but it would have been somewhere in the middle of March.

Mr. Edwards: So the offer process that the government stakes its claim on, which is offering zero and two plus job security, came after a referral to binding arbitration under the act, which would seem to seriously undercut that process, but also after 958 people had in fact been laid off, and it was on that basis that we can conclude you decided it was not worth putting to your membership?

Mr. Olfert: That is correct, that is the events of how it happened and we have elected bargaining committees. I touched base with the bargaining committees and they said, look there is no change, no substantive change, it is just window dressing at this point in time to give us a no layoff position now to cover some people, and it does not cover everybody. I mean, the provision is really watered down, the one that they proposed, compared to the one that we did have. It comes after the budget, after the cuts, and our committees felt, because there was no substantive change to their position, that we should continue on the arbitration round.

Mr. Edwards: Mr. Manness, the Finance minister, is quoted as saying on May 23, 1991—and he was responding to the allegations that he was being two-faced and hypocritical in giving Mr. Pedde an additional \$20,000 to come to MTS, at roughly the same time as he was offering you zero percent. His response was: The reality is that we are talking about two different issues; either we accept the

wage request—this is with respect to Mr. Pedde—or we do not get the best person.

Do you read into that any insult to your workers by the fact that they are willing to give you zero, and not negotiate in good faith, does that tell you what Mr. Manness may think about the MGEA workers?

Mr. Olfert: Well, I think that you will probably hear, and you have heard from several MGEA members tonight, I am sure during the course of these hearings you will hear directly from them. I believe that I can tell you that people are insulted by those kinds of comments; there is no question about that.

Mr. Manness: Thank you, Mr. Chairman. Mr. Olfert, I am sorry I was not in attendance, although I did read the brief.

I would like to clear up though a misconception that has been played over and over again tonight with respect to Mr. Pedde, and I am not here to defend the government's decision. I mean, there are other times and other ministers who can deal with that, but I would ask Mr. Olfert if he is aware that the payment given to Mr. Pedde fits in with the classification as we inherited from the former government, not the levels, but the classification for the four major heads of senior Crowns, which indeed allows for payment to individuals who head MPIC, Telephone, Hydro and I cannot remember the fourth, that allows for wage payment between \$130,000 and \$150,000. We inherited the classification system from the former government, is he aware of that fact?

Mr. Olfert: I am not aware of that fact, but I think that, if I can say so, the point you miss is the perception of that during the same time as when you are telling our workers that they should accept zero. I mean, I do not care if there are ranges in the classification. Hire the individual at the salary that was there for the former person, Mr. Bird, who left. The perception is all wrong, the sense of fairness. I mean, put yourself in the shoes of some government workers out there, busting their rear ends, working as a nurse's aide in a hospital in Altona, and then you get the MTS president being given a \$20,000 increase. It is perception, I am not that familiar with the classification system or anything like that in terms of senior management, it is perception.

Mr. Manness: Mr. Olfert says he is not aware of the classification system at the senior levels. Is he aware of the classification system within the Civil Service, and what Bill 70 does to those

reclassifications? Does Bill 70, in his view, have any impact on classifications changes within the Civil Service?

Mr. Olfert: In terms of reclassifications?

Mr. Manness: Correct.

Mr. Olfert: Well, reclassifications, I can tell you quite frankly, we have not been very successful in getting working staff, working line individuals reclassified over the years. I mean, that is a difficult chore in itself. Again, those issues are not negotiable in terms of the collective agreement.

There is a reclassification procedure in the agreement, and we cannot change that under Bill 70.

* (2300)

Mr. Manness: For the sake of consistency, Mr. Chairman, just like there was a reclass at the senior level, and you used the example of the head of Manitoba Telephone System, that within the Civil Service, those reclassifications as they occur, not as often as indeed you would like, Mr. Olfert, but indeed in the sense that reclassifications do occur today, Bill 70 will have no impact whatsoever on government decisions to reclassify.

They can occur, will occur, and have occurred under Bill 70.

Mr. Olfert: They do not occur. Those opportunities do not occur often. They are rare, and quite frankly, with the number of jobs that are being decentralized, the number of layoffs that we have had and the hiring freezes that you have put on, I mean, there are not a lot of reclasses available in the Civil Service, never mind any jobs.

Mr. Manness: Is it a fact, Mr. Olfert, that Bill 70, which forces the extension of the existing contract, allows for merit increases and that there is some significant number of employees who will receive a 4.5 percent increase as a result of merit increase?

Mr. Olfert: Most of the merit increases are a lot less than 4 percent in terms of the pay range. Yes, the legislation does provide for that, but that is again something that has been there since the Civil Service has been, since 1870 in this province.

Mr. Manness: Mr. Chairman, Mr. Olfert has made a point of saying that the government has not bargained particularly in good faith. I would ask him whether or not he recalls that the May 9 offer by the government, which provided for a zero and a two percent and, to use his terms, a convoluted

revenue-sharing formula—and I take some exception to that because I drafted it and I thought it was pretty straightforward, but of course, we look at things through different eyes sometimes.

Can Mr. Olfert indicate that that was not the offer, plus job security? There was a condition to that. The condition was, the only way that would be offered, indeed, if that offer was taken to the membership. That was the condition of the offer.

Can Mr. Olfert give me any reason as to why a bona fide offer made by the government, given all of the consistency around the points that he has been making around the ability to pay and around its fiscal standing, why indeed that offer was not presented to the membership to let them, through the democratic process, through secret ballot, cast judgement as to whether or not collectively they would accept such an offer? Why was that offer not offered to the membership?

Mr. Olfert: Because on February 15 our members voted 97 percent to reject the government offer of zero and two, and to opt for binding arbitration, which we applied for in March of that year, well before the "substantive" offer, after the cuts of 958 people were made in the Civil Service.

Our bargaining committees did not recommend a change in course at that time.

Mr. Manness: Mr. Chairman, what two choices were on the ballot, in the February ballot?

Mr. Olfert: Pardon?

Mr. Manness: What two choices were on the ballot in the February vote?

Mr. Olfert: If the minister wishes, I will produce a ballot for him. I will send it to you in the mail.

Mr. Manness: Mr. Chairman, I respond to the public gallery who say, what has that to do with Bill 70? I am asking questions of clarification around the presenter's brief, the import of which seem to be specifically focusing on the lack of consultation, from the brief's point of view, by the government and negotiation. That is why I am asking the question in the vein that I am.

Mr. Chairman, is Mr. Olfert saying he does not remember what was on the ballot in the February vote? I mean, I am serious. I think it is an important point.

Mr. Chairman: Order, please.

Point of Order

Mr. Ashton: Yes, having been interrupted by the Minister of Finance (Mr. Manness) and being called to order a couple of times by the minister in terms of asking of questions, I wonder if the minister considers it appropriate here that he seems to feel that he can do whatever he wants when it comes to questions.

I would like, by the way, if you want to open up this process, to allow the head of the MGEA to ask the Minister of Finance about some of the discussions that he and the Premier (Mr. Filmon) had in regard to this matter, some of the direct offers, some of the supposed off-the-record comments that were made. I do not believe that is in order for the president of the MGEA to do, and I do not think it is order in terms of the line of questioning the Minister of Finance (Mr. Manness) is bringing into place. I would ask you, Mr. Chairperson, if we are going to have rules that restrict me in terms of the type of questions, and Mr. Olfert, that the Minister of Finance abide by the same rules—

Mr. Chairman: Order, please. The honourable member did not have a point of order, but I have allowed a little bit of latitude here this evening. If the committee wishes, I can tighten it up a little bit.

* * *

Mr. Manness: I just asked Mr. Olfert whether or not there were basically two options on the ballot. They were strike or arbitration. Were they the only two options on the ballot?

Mr. Olfert: No.

Mr. Manness: Mr. Chairman, would Mr. Olfert acknowledge that he, representing The Government Employees' Association, met with members of government and indeed the Premier (Mr. Fiimon) to discuss issues around the new agreement on at least one, two, three, four, five occasions over a period of five months?

Mr. Olfert: No. That is inaccurate.

Mr. Manness: How many times did we meet?

Mr. Olfert: You obviously think that you have the numbers. Give me the dates. I will tell you when I met with them. I do not have my diary here. I know that I met with them on a couple of occasions.

Mr. Manness: No further questions.

Ms. Frlesen: The MFL in their presentation raised the issue of Section 9 of the act, the all-encompassing power of regulation, and I wondered if you had come to any conclusions or asked for any advice on the implications of this for your own members?

Mr. Olfert: I think that our advice is similar to the advice that the MFL has received, that being that, through Order-in-Council, cabinet, this act could be extended in whole or in part and could include and scope in and extend time frames, go from a one-year freeze to a two- or three-year freeze, group in private sector unions as well, and obviously all kinds of other matters that would affect the collective bargaining process.

Ms. Frlesen: Do you have any sense of what the implications are or could be for the working conditions of your members?

Mr. Olfert: There is no question that, in terms of benefits, there is certainly a concern there. If there are freezes on certain benefits, such as a long-term disability plan, that if those benefits are frozen for a period of years, that the person that is on the long-term disability would start to receive less and less in terms of increases.

This bill also could be very dramatic in terms of a person's pension where salaries are frozen in the last year or two prior to a retirement when there is a best of five of the last 12 years used for an averaging. When your salaries level off, it can have an impact of several thousand dollars on an annual basis in terms of your lifetime pension through the Civil Service Superannuation as well.

Ms. Wasylycia-Lels: Mr. Chairperson, just a few questions in terms of the health care field. The Minister of Health (Mr. Orchard) is here, and I think it might be a good time for us to discuss the impact of Bill 70 on the members you represent in the health care field. I think it is probably also fitting to raise this now since, in terms of unfair and callous dismissal of long-standing meritorious civil servants, the Minister of Health's record is just about the worst in this government.

* (2310)

With respect to the impact of Bill 70, I understand that home care attendants won their first contract organized under the MGEA, I think for a three-year duration, that contract is up and that you were in the middle of negotiations. I am wondering if you can tell us if you have heard anything from this

government in terms of how Bill 70 will impact upon home care attendants and, if so, what you think the impact will be?

Mr. Olfert: From our information, Bill 70 will impact on home care workers. Obviously, it will be very devastating for them because we reached an agreement some three years ago for a first contract which we were able to negotiate and, obviously, home care workers are people that are very important in terms of the whole health care system. They provide a very important function in terms of providing services in the various homes, to clients, and in doing that save the health care system a lot of money in terms of beds and those kinds of expenses at the hospitals, and home care workers are certainly not highly paid.

So the impact, not only on their salaries, but there are also cutbacks—or there is a private sector bias being shown in that department as well, where many private sector groups are moving into home care and taking hours away from home care workers, and they are finding that they are not only now not receiving an increase this year under Bill 70, but their hours of work have also been reduced through the privatization of home care in this province.

Ms. Wasylycia-Lels: I think it might also be useful for us to hear your comments on an added stress factor in terms of home care attendants. You have mentioned the stressful work, the hours, and now the competition in terms of the private sector. I think it is also important to note that home care attendants are now not getting, a good many of them are not getting paycheques on a regular basis. The Minister of Health (Mr. Orchard) in Estimates tried to suggest that problem was almost totally sorted out. We keep hearing about the situation getting even worse and home care attendants not even being paid, period, on a regular basis with Bill 70. I am wondering if you could comment on that situation and the total picture facing home care attendants?

Mr. Olfert: I am not sure that situation has changed for the last eight or 10 months. There have been problems with home care workers receiving their paycheques. The government did move to computerize many of the systems, and obviously they have not got that computerization up to speed at this point in time and we are still having to call in to the department and have manual cheques provided and written out so that people can get paid in that two-week period.

Ms. Wasylycia-Lels: Just a final question, Mr. Chairperson. Everything that we have heard about the Home Care Program tells us that staff are overworked and suffering from burnout and there is considerable stress on the job, and all reports have identified that this is an issue that must be dealt with and addressed. I am certainly worried about Bill 70 further aggravating this situation, an already critical situation, and I am wondering if you can maybe—perhaps while the Minister of Health is here—tell him how long he can expect your members to subsidize the Home Care Program, a very cost-effective nationally known program at substandard wages, tell him how much longer Manitobans can expect the Home Care Program to be a model in this country?

Mr. Olfert: We certainly do have concerns, and it is a fact that the home care services here, when they were set up many, many years ago, were something new in the whole health delivery system in many parts of the country. So we were sort of leaders in terms of providing that kind of a service in people's homes, and I certainly do fear that there has been a deterioration in terms of services that they are able to provide because there seems to be more meddling, I guess, if you will, in the department with respect to the kinds of services that they are able to deliver, the kinds of services that they are asked to go out and provide to clients. There is at least a perception that home care over the last several years has deteriorated in this province.

Ms. Wasylycia-Lels: Thank you.

Mr. Manness: Mr. Chairman, just a final point. Mr. Olfert, you agreed to provide a copy of the ballot, the February ballot, provided to your membership for me tomorrow, or as soon as you can?

Mr. Olfert: As soon as I can, sure.

Mr. Manness: Tomorrow, would that be possible?

Mr. Olfert: Well, as soon as I can.

Mr. Ashton: I am wondering if the president of the MGEA is also going to ask the minister to provide a copy of the Tory election manifesto from the last election and see if there is any reference in it to the wage freeze they are now bringing in after they have got their majority.

Mr. Olfert: Maybe I could ask the Minister of Finance (Mr. Manness) then if, since we are on questions, who is telling the truth? Did you indeed draft this legislation, Bill 70, on the weekend, or had it been drafted for three months previously, as the

Premier (Mr. Filmon) was quoted in The Globe and Mail?

Mr. Chairman: Order, please. Questions are not to be brought forward to the committee, Mr. Olfert. I am sure you are aware of that.

Mr. Olfert: Maybe he can send it to me tomorrow.

Mr. Chairman: Thank you very much, Mr. Olfert.

We will now move on to presenter No. 5, Vera Chernecki. You have a copy of your brief prepared? Just wait until it is handed out, okay? Thank you. Go ahead, Ms. Chernecki.

Ms. Vera Chernecki (Manitoba Nurses' Union): Mr. Chairperson and members of the committee, I would like to thank you for the opportunity to put forward the position of the Manitoba Nurses' Union regarding Bill 70. The Nurses' Union is Manitoba's largest health care union, with a membership of 11,000 nurses who work in health care facilities in all areas of this province.

I must state at the outset of this presentation that the reaction of our membership has been emphatically negative towards Bill 70. Regardless of promises made by the Minister of Health (Mr. Orchard) and the assertions in government news releases that our members will not be affected by it, on principle, we are adamantly opposed to Bill 70. We see its passage having devastating, immediate effects on thousands of Manitobans and damaging long-term effects on our province's labour relations climate.

The most frightening aspect of this legislation is that it completely annihilates the right of thousands of Manitobans to negotiate fair wages and working conditions. It removes the fundamental right of nearly 50,000 women and men to bargain collectively. One of the most sinister aspects of the proposed legislation is that it leaves the door open to bring thousands more under the legislation with the mere stroke of a pen.

The bill wipes out any hopes of good-faith negotiations and rolls back arbitration awards. This is an attack on the fundamental fabric of our society, a society built on freedom and democracy. To unilaterally impose wages on some workers and to ignore the duly processed awards given to others, threatens the freedom of every Manitoban to seek fair and equitable return for the work they perform. That freedom is not deemed a luxury in our society, but a right. As individuals, and collectively as unions, we cannot stand by and see those rights

trampled, albeit with wringing hands and cries of: we had no choice!

It is our assertion that this government does indeed have a choice. It can choose not to balance its budget on the backs of those least able to bear the weight. This legislation represents an attack on those least able to defend themselves—working people. The bill also serves to attack those employees in the lower and middle-income bracket.

* (2320)

This government does have a choice. It can choose not to make scapegoats of public employees whose wages have fallen behind the rate of inflation by 10 percent or more in the past decade.

This government does have a choice. It can choose to make business and private sector pay their fair share. To put the burden of our deficit solely on the shoulders of the public sector workers is unreasonable.

While the government blindly follows ideology, families are suffering. Freezing salaries that have already fallen behind inflation is a hardship few families can bear in this time of GST, PST and ever rising inflation.

The Manitoba Nurses' Union regards Bill 70 as an all-out attack on unions in this province. Once again, under the guise of fiscal responsibility this proposed legislation takes away the fundamental right of unions in this province to represent their members at the bargaining table or at arbitration.

Hundreds of thousands of Manitobans are represented by unions. That is their right. They have voted to unionize and they have taken part in democratic elections, contract ratifications and the many other processes of a free and democratic organization. Unions were born out of the necessity of workers to protect and defend themselves from encroachment, injustice and wrong. It is the right of all unions to represent their membership in their fight for a higher and better life, and to protect them as equals before the law—not some more equal than others. To remove from democratically elected unions the right to represent their members is unconscionable.

Unions have been champions of the right of members to negotiate in good faith. Along with that goes responsibility. No other union is as keenly aware of the rights and responsibilities of job action as the Manitoba Nurses' Union.

The members of our union strongly support the right to strike and will fight to maintain that right. For thousands of Manitobans affected by this legislation this right will be taken away with the passage of the bill. The extension of agreements passed the expiry date wipes out another right of workers, the right to strike in addition to the right to negotiate.

On January 1 of this year, after exhausting all avenues to reach a fair settlement, nurses in Manitoba decided to withdraw their services. While the people of our province were inconvenienced, they respected our right to resort to service withdrawal if necessary. They were solidly behind us in our fight. They respected the right of our union to say, enough, and to take a stand.

In conclusion, it is the Manitoba Nurses' Union's stand that the only way of avoiding the devastating ramifications of Bill 70 is its complete withdrawal. No amendment can possibly improve the bill because it is so fundamentally wrong. It is an attack on a specific group of people in our province. It is an attack on unions and workers. It represents an attack on the fundamental freedoms enjoyed by workers in Manitoba. The bill seeks to pit worker against worker, and union against union.

I urge the members of the committee to take to heart the submission made here today and to consider the effects of this dangerous bill upon the people of Manitoba. Bill 70 must be withdrawn.

Mr. Chairman: Thank you, Ms. Chernecki. There will be a few questions.

Mr. Manness: Mr. Chairman, I would ask the presenter what she would think about government that did not even bring in a bill with respect to freezing wages, but just used its powers in Order-in-Council to give effect to a wage freeze. How would you react to that, Ms. Chernecki?

Ms. Chernecki: Instead of doing a wage freeze, just bringing in the powers?

Mr. Manness: Yes. Rather than bringing in a bill, a legislative bill, and going through the open process, the democratic legislative process.

Ms. Chernecki: We would be opposed to it, of course, because what we are saying is that we are opposed to anything that interferes with the free collective bargaining process.

Mr. Manness: I would ask Ms. Chernecki whether she is aware that this is not the first time this has been done in Manitoba in the last 20 years. Indeed

in 1976, I believe the then Premier, Mr. Schreyer, signed an Order-in-Council freezing all wages, and I would ask her whether or not she was cognizant of that fact.

Ms. Chernecki: I am quite aware of things that have happened in the past. We are here to address Bill 70 and its implications on workers, and I am stating our position on how nurses in Manitoba feel about Bill 70 and what it is doing to the collective bargaining process.

Mr. Manness: I would ask Ms. Chernecki whether she is aware that if the list of demands—181 I believe in total by the MGEA—if indeed allowed or acceded to by the government, would provide a 30 percent increase in two years? I would ask how, if indeed the government were to allow that or a significant part, the nurses would react to that type of increase, given the difficult times of January, when indeed the government laid before the public and the nurses the reality of how much it had to offer, how it was that the nurses in Manitoba were to be treated as a special case, and that in doing so there would be less for the remaining public sector bargaining groups.

Ms. Chernecki: If you remember our position at the time when you did make the announcement regarding what would happen in the future and the fact that nurses would be treated special, we said that we felt that the government should be very well aware of what the nurses' concerns were, what the nurses' frustrations were, what had to be done to correct the problems in health care, but that it should not be done at the expense of other workers.

We felt that our negotiations should be separate and apart from any other negotiations and, you know, whatever would have happened with MGEA would have happened as a result of the collective bargaining process or the arbitration process, I guess.

Mr. Manness: Mr. Chairman, but does not Ms. Chernecki feel that there would have been a breach of faith, indeed given that the nurses went on strike, purely in a free collective bargaining mode, to push their cause? If the government had given in to arbitration whereby an award had come down at 4 percent or 5 percent, do you not believe that that would have been an unfair treatment of the nurses vis-a-vis other people in the public sector employ?

Ms. Chernecki: I can only repeat what I have already said. Our negotiations, we said from the

outset, had to be treated with regards to the problems that we had outlined and the demands of our nurses, and that they should be treated separately and apart from anybody else. The nurses did accept the final settlement and are living with it. What would have happened? I cannot predict what would have happened. As I have said, the nurses respect and fully support the free collective bargaining process for ourselves and for everyone else, and there are ramifications from this bill.

Mr. Manness: I will ask the question pointblank, Mr. Chairman. Who was closer to practising free collective bargaining, the nurses and the government and/or indeed MGEA and the other groups in the government where indeed FOS and arbitration models were relied upon?

* (2330)

Ms. Chernecki: I cannot speak for the other unions. I know only what we believe and what our members have reaffirmed over and over again, is that they believe in the right to strike. They feel that is a cornerstone of the collective bargaining process. That is the way they feel we should proceed. If other unions feel differently and have a different avenue to resolving their problems, that is something that they respect.

Mr. Ashton: I do find interesting the minister talking about being close to collective bargaining. He obviously does not know what collective bargaining is, as indicated by Bill 70.

I want to ask you, having been through the experience of collective bargaining with the government, after having to go on strike after this government supposedly was going to have special consideration of nurses' demands, and after having won what you did win as part of that—and I know a lot of nurses would obviously have liked to have seen more of it—were some significant advances—your reaction is to this minister when he uses the old divide and conquer tactic of saying that you have one set of public sector workers and they are a special case, which indeed nurses were.

(Mr. Gerry McAlpine, Acting Chairman, in the Chair)

Everyone acknowledged that, but on the other hand, saying that the payment is going to come from other public sector workers. Do you accept that being the trade-off, or do you feel that is an unfair

attempt to divide different public sector workers, whether they be nurses or others?

Ms. Chernecki: I believe we came out and made a very strong public statement at the time, that we felt it was a divide-and-conquer tactic and that although we appreciated the minister was saying we would be treated and receive a greater settlement, that our idea of a fair settlement and their idea of a fair settlement might be totally different but certainly, we viewed it as a divide-and-conquer tactic at the time.

Mr. Ashton: Just finally, in terms of your members, because once again they have attempted to use this tactic, is it your sense of your membership that whether or not they are included in this bill—and I recognize that you represent workers who are excluded. In some cases, there are some other questions about nurses generally and other areas possibly being included, so I am not dealing with that, although you may wish to. You are saying that the nurses, whether they are excluded or not, as represented by your union do not support Bill 70?

Ms. Chernecki: That is right. I guess one area on the whole issue of inclusions and exclusions—we are assuming from public statements made by the minister of Health (Mr. Orchard) that all our agreements will be excluded because even the 88 tentative agreements that were signed—and convalescent homes, so it really made 89—those that were represented at the central table of the nurses that went on strike, there were eight of those that were actually signed, eight collective agreements that were actually signed after the deadline of the bill. We have 10 privately-owned nursing homes that are in negotiations and some are still negotiating, some have reached tentative agreements. We are assuming, because of the statements made by the minister of Health, that these are all excluded.

Ms. Wasylycia-Lels: I would just like to again express appreciation to Vera Chernecki and the MNU for an excellent brief that clearly shows the concern of the MNU for preservation of the broad principle of free collective bargaining and for rights of workers everywhere. Clearly, with most of MNU's members not covered by Bill 70, there was no need for the MNU to be here in terms of necessarily representing the interests of their own members but they chose to come and make that kind of statement, and we would like to commend you for that.

In terms of the question of the broad picture in the health care field, perhaps you could elaborate a bit on what it will mean to have a facility, a hospital with nurses, MNU nurses, covered through their own collective agreement through a labour dispute process, working side by side with homemaking staff and so on who are covered by Bill 70, and what that will mean in terms of life within that facility, tensions, co-operation, and just the good of the health care system?

Ms. Chernecki: I think that in most cases nurses in health care facilities throughout the province have a very good working relationship with all the other health care support staff from the other unions. It will certainly make it difficult for them. Just in preliminary talks with some of the members, they do support the fact that these workers should have the right to a collective bargaining such as the nurses had.

Ms. Wasylycia-Lels: With respect to your earlier comment about agreements not covered, or agreements not signed before the June 3rd deadline, has anything been communicated to you from this government in terms of their intentions with respect to those nurses who are under agreements not signed before June 3?

Ms. Chernecki: No, not officially. We have not had any communique. The only thing we have seen is what is in the act, what was in the news release and some statements that have been made in the House, I believe, by the Minister of Health (Mr. Orchard) that have said that Manitoba Nurses' Union nurses are excluded.

Ms. Wasylycia-Lels: A question similar to the one I asked Peter Olfert from the MGEA about home care—since, I believe, all home care nurses are organized by the Manitoba Nurses' Union and that their agreement expires this fall. I am wondering again if you have heard anything in terms of whether or not Bill 70 will apply or not, and what kind of impact this will have in terms of the stressful kind of working situation home care nurses now experience?

Ms. Chernecki: Home care nurses had their first contract awarded to them in September of last year, so it expired September 27 of 1991. We are set into negotiations for them. Certainly we are assuming that they will be exempt from the bill because having had their first contract, they have a contract that is not in line with what the rest of the nurses in the

province enjoy. So for them to fall under this bill certainly would cause problems for us with those nurses.

Mr. Edwards: Ms. Chernecki, thank you for your presentation. The minister has raised the issue of good faith and bad faith in his discussions with you, and he has raised the comparison between your negotiations and those with other unions in the MGEA Civil Service.

What would you have thought at the end of your strike and at the end of a settlement—hard achieved, hard won—if the government had brought in this type of legislation that covered nurses? Would you have considered that the height of bad faith, Ms. Chernecki?

Ms. Chernecki: I think that I would like to put it a little stronger than the height of bad faith. Certainly, I think the government was very aware of the wrath of nearly 10,000 nurses who were out for that 31 days in January. Had the nurses been brought under this legislation, they would have felt that at least tenfold, I am sure.

Mr. Edwards: Because that is precisely, of course, what he did with the engineers, With respect to final offer selection and arbitration which were applied for which was the legal right of those unions to apply for, in the case of the casino workers and the MGEA overall. Did you consider it in any way bad faith to exercise what is your legal right to exercise on behalf of your employees? In your experience as a union leader, is that not your obligation? Is that not your duty to put things to your membership? I mean, if they choose arbitration, if they choose final offer selection, do it. Do you feel you would have any choice if your membership instructed you to use one of those tools which is available to you?

Ms. Chernecki: No. I certainly would go along with everything you have said. As a union leader, we have always followed the democratic process. We have taken all issues to our membership, just as I am sure the other unions did that went to FOS and went to arbitration, and that is part of the collective bargaining process that is available to them and that their members directed them to follow.

* (2340)

The Acting Chairman (Mr. McAlpine): Thank you, Ms. Chernecki, for your presentation.

Ms. Chernecki: Thank you.

The Acting Chairman (Mr. McAlpine): Petition Number 6, Mr. Ron McLean, please, International Brotherhood of Electrical Workers, Local 2034. Do you have a presentation?

Mr. Ron McLean (International Brotherhood of Electrical Workers, Local 2034): No, I just have some handwritten notes that I am going to be referring to. I do not have any formal presentation.

The Acting Chairman (Mr. McAlpine): Okay, please proceed, Mr. McLean.

Mr. McLean: Good evening, Mr. Acting Chairman and members of the committee. The hour is getting rather late, but I hope you will bear with me.

I am here as a combination. I am a former 24-year employee of Manitoba Hydro. I came into the office of business manager of the local union representing the outside employees of Manitoba Hydro in this year and, believe me, it is not the best year to assume office.

As I said, we represent 2,400 members who work for Manitoba Hydro. Our local union is clearly identified in the group indicated in the press release that are covered by Bill 70. We had a contract with Manitoba Hydro which expired on May 23, 1991, so we are definitely in the group covered by the act.

Our members proudly serve the public all across Manitoba. We have been involved in keeping the lights on for all Manitoba since IBEW 2034 was first certified to represent the employees of the Manitoba Power Commission in 1958. Both with the Manitoba Power Commission and with Manitoba Hydro since that point in time our local union has had a healthy positive relationship with our employer. We have had that without any major industrial relations conflict. We have had that without any strikes, and we have had that without any lockouts.

We have had a positive relationship in a lot of other areas as well. Our safety program certainly was the model that the original Workplace Safety and Health Act in this province was drafted from. As the act was revised later on in time, certainly that was taken back to Hydro, and we currently have 40 workplace health and safety committees around the province, most of which involve members from the IBEW.

We have had a co-operative situation with management within the corporation. We have had a labour-management consultative program since 1968. We have a number of regional committees

who meet regularly, as well as a central committee that meets.

Since the incorporation of The Crown Corporations Public Review and Accountability Act recently, we have also had a major committee that involves all of the bargaining units in Manitoba Hydro, and we are represented on that committee.

We have a somewhat different perspective on some of the rest of the world around us than some of the other unions in the province. We are part not of the Manitoba Federation of Labour or the Canadian Labour Congress, but part of the Canadian Federation of Labour. The IBEW is one of the founding groups in the Canadian Federation of Labour, and one of the things that separated us when we moved from the CLC was the question of political affiliation. The CFL itself is not politically affiliated. We are not tied to any one party, and we operate that an individual member or group of members have the right to vote as they wish, and that unions and political parties should be reasonably free to act in their respective members' best interest.

We have attempted to work with the party in power across Canada with limited success in some areas and good success in others, but Bill 70 certainly brings that an awful lot into a credibility question. The members of our local union are reacting in a very strong way to the bill. They have a strong visual presence, for instance, June 27 on the front doorstep of this building, the number of pledge cards that they have turned in, and by the large number of speakers who are registered to make presentations to these hearings. That lack of political affiliation may leave the members wondering who they may vote for next election, but if Bill 70 passes I think they will remember who they are not going to vote for.

The members of the IBEW find Bill 70 to be particularly disruptive when we have had a very sound relationship—that relationship that existed between the local Hydro man in small-town Manitoba, between his union and his employer. We have been reasonable in our wage demands over the years; we have been reasonable over our benefit demands over the years. We have, when Manitoba Hydro was facing difficult times, accepted less than what maybe was coming to other members around the province, to find ourselves with promises that were made at the bargaining table that the corporation would remember us in good times.

(Mr. Chairman in the Chair)

When the corporation had racked up a \$48.5 million profit, I do not know when they are going to get a better time. Certainly with the paint of the broad brush that comes from Bill 70, that better time is not available to us, not by the choice of the employer, but by a choice of the government. The board of directors, the board of Manitoba Hydro, took their direction from outside the corporation, rather than from within the corporation. Our members were, the word I have here is "outraged"—and that is probably fairly mild—to read in the Winnipeg Free Press that the, acting at the time, chairman of the board defended overruling the corporation's management and being persuaded by the Minister of Finance (Mr. Manness) to pass on the government-dictated zero and two.

Certainly that led our members to feel very strongly that in fact their fight and dispute was no longer with the employer, with whom they could have negotiated and certainly were not promising that the management mandate might have been accepted at first crack, but certainly they were willing to negotiate.

One can only speculate where we might have been if the acting chairman, who subsequently became chairman, had had the fortitude to lay his job on the line and support Hydro management, in contrast to government policy, as some of his predecessors have been known to do. One can also only speculate where we might have been in negotiations on June 3 if in fact the Hydro management recommendation had been followed. Certainly we might very well have had a contract signed at that point in time, and certainly have excellent optimism to say that, because we exchanged proposals in February.

We had one of the last public sector contracts in this province to expire, we had everything except wages resolved by May 22, before the expiry of the other contract, and the only reason that wages were not resolved was that in fact between exchanging proposals in February and starting of negotiations on March 12, the board of directors of Manitoba Hydro chose to overrule the management of the corporation and go with the marching orders they had received from down in this building.

Once the zero and two offer was tabled, our union filed for final offer selection, not to be greedy, not at the recommendation of some leader, but at the rank

and file demand that they wanted to avoid a bitter strike, they wanted to avoid a strike against Manitoba Hydro, because certainly they felt that was not where the problem and the dictation of the offer had been, but they felt that a strike this summer had to be in the books, or some other method had to be achieved.

They voted for FOS with 85 percent of our 2,350-plus members voting, despite the logistic possibilities and the difficulties of polling people from one end of Manitoba to the other in 14 days. We did it and we did it with an overwhelming, a record-setting majority of our members voting.

They did that in hope of getting a reasonable settlement, not a catch-up settlement because certainly they expected that at some point in time they are entitled to some catch-up, but at least a break-even settlement. The 300-plus, 325 approximately members who voted against FOS were not an uninformed minority; they were a strong group in our membership who said they did not give a damn about what might be available through FOS. It was not going to be enough, it was not going to take them back to their rightful place in society and that they were willing to tack a picket sign to their tail and stand on the street.

One can only wonder how dark and black Manitoba might have been on June 3 if Bill 70 had been introduced during the strike that on January 1 appeared to me to be almost inevitable. That potential strike, and the subsequent process through to this date have been the reason the members of Local 2034 have been visible wherever any activity around this bill has taken place. Our members are more than painfully aware that their wages are not where they should be.

I should point out that they have been very patient, but patience has caught them in Bill 70's trap at a time when Winnipeg Hydro, B.C. Hydro and, as recently as last weekend, Saskatchewan Power are advertising for journeyman linemen at a rate of \$2 an hour higher than the rate paid to the linemen who are restoring the power during lightning storms, ice storms, tornadoes, other adversities in this province to keep your lights on, regardless of whether you are served by Manitoba Hydro or City Hydro, certainly the generation that keeps your lights on and the members who are operating the generating stations are our members.

* (2350)

That patience has caught them in another trap during the contract where they—I guess, the contract that would have expired May 22 and has been extended by Bill 70—have for the first and perhaps the only time in history been aware of what some of the other people in Manitoba Hydro are paid. That came because of the disclosure afforded for the first time ever under The Pay Equity Act. The information clearly indicates that the members of Local 2034 have some catching up to do in relation to what their supervisors, superintendents, managers and the engineers employed by Hydro make.

Certainly, the results of The Pay Equity Act proved that to us, and I doubt that we will ever see those sorts of results again.

The most disturbing part of the whole process to large numbers of our members is the timing. By being the last contract inside Hydro and one of the last in the public sector, any recognition of our catch-up position has been lost. Our members are telling us loudly and clearly that, if our contract had expired last fall, for instance, when Hydro's minister was pointing out in the House that the salaries paid to our linemen were certainly less than adequate compared to clerical staff and others in the corporation—not that those members are overpaid, it certainly is just that a lot of our tradespeople are underpaid.

Also, at that point last fall, Hydro's management, we understand, made a proposal to Hydro's board of directors that would have had a wage increase in it as well. We certainly feel that, if we had been, for instance, timed similar to the nurses, we might very well have been identified as being a catch-up, but we, like they, would have been outraged to find that we would have been taking someone else's money. We have a case that can stand on its own. We are behind what is paid to other people in similar wages within this province and certainly out of province.

In summary, the members of IBEW Local 2034, by attempting to be moderate and reasonable throughout time, have ended up with nothing. It was enough to have a zero and two, and I put quotation marks around the word "offer." If that is what it was, that was bad enough, but Bill 70's limits on our right to bargain not only the wages but the rest of our contract when we were prepared to do it co-operatively and positively with the corporation in both groups' best interest have certainly left our

membership angry, frustrated and in a position that they will not forget soon what happened.

They are tired of subsidizing Hydro's consumer rates. Hydro's consumer rates are among the lowest in Canada, and that is coming out, not because of Public Utility Board hearings and that sort of thing, but that is coming out in Hydro's own publications. Certainly our members are tired of subsidizing their Manitoba Hydro's consumer bill.

They are also tired of subsidizing the supervisors' wages, the managers' wages of the same corporation they work for. I think that, if the urging that has been done in this committee is not taken seriously, if Bill 70 is not repealed, certainly in terms of the membership of IBEW Local 2034, you may find that that peace within the labour movement in Manitoba Hydro is long gone. You may very well have awakened the sleeping giant because, when we get to the negotiating table next summer, certainly if something does not happen now, it will happen then. Thank you.

Mr. Chairman: Thank you. Mr. McLean, there will be a number of questions.

Mr. Ashton: I note that it is five to twelve, and I am sure that there must be some questions, certainly on behalf of committee members and presenters, as to when we anticipate adjourning. I am wondering if you might test the will of the committee in that regard.

Mr. Chairman: What is the will of the committee as far as sitting this evening?

Mr. Manness: I do not believe it is the government's desire to push unduly through the night, but I would no doubt expect that there are some people who were notified and called that they may very well make presentations tonight, and this night might suit them, so I would like to continue for a short period of time.

Mr. Edwards: Perhaps we could get some reading through the clerk or others how many there are who are in the audience tonight who may want to speak. I certainly would agree with the minister. If people have come to speak to us tonight, I think we should hear them, as long as there are not undue numbers. If people have come forward and want to speak and have waited this long, I am inclined to say we should hear them.

Mr. Ashton: Yes, I certainly do not see any difficulty if there who people wish to make presentations tonight, so long as we can not

proceed past this presentation on the list. I raise this concern, I would not want to see us run through the list of people who—and I noticed a number of the presenters who are listed here left about half an hour ago, an hour ago. I would suggest, if that is the will of the committee, that we, immediately after this presenter, entertain presentations from individuals who cannot come back or would like to make their presentation tonight.

Mr. Manness: Mr. Chairman, I accept that for tonight. I should serve notice though to the committee that possibly the next meeting we will sit a little bit longer than midnight or 12:30.

Mr. Edwards: Mr. Chairperson, just while we are on that, if I can raise it, has there been any consideration—we had during the Estimates process last week, at least on one occasion, started at 7 p.m. Is that something which the committee may want to consider for this, given that we have so many presenters? It strikes me, we may still go late, but at least we will hear more people at a reasonable hour.

Mr. Ashton: I think we are going to run into some difficulties in future committee meetings, too, if we do not give some signal, perhaps at the beginning of the committee hearings, as to when we anticipate sitting. I do point to the people who I know were here earlier, who are pretty high up on the list and stayed as late as they could. Obviously they have to work tomorrow, have other responsibilities, so I would hope that in the future we would set a more specific time, hopefully a reasonable time, that will not prevent people from coming—(interjection)—Well, I just point out to the Minister of Education (Mr. Derkach) who is speaking from his seat, I am pointing to the people who were here until about half an hour ago and left because they really had no clear indication.

I did not know when we were going to adjourn. I am just suggesting that in the future we have a clear idea of adjournment, whether it is within half an hour or an hour, but at least, if we can say we are out of here by midnight, people will know, if it is 11:30 and there are three people ahead of them on the presentation, that they do not have to stay all night.

Mr. Manness: Mr. Chairman, firstly dealing with the seven o'clock, I am prepared to involve myself in negotiations and discussions with the House leaders tomorrow, and certainly if there is a consensus to move toward seven o'clock, I will ask

my caucus. Certainly I would favour that, personally.

With respect to a set time for rising for the night, I remind the member, he is the one who continually reminds me that there are 500 presenters, constantly, and there is no way we can—and we have had good success tonight in the sense of hearing significant presentations, but I remind the member that, just as indeed we have to work tomorrow, everybody is expected, if they were given notice, to be in attendance to make their presentation.

There is no way we are going to be able to provide an opportunity for 500 people unless indeed we work long, long hours, like we traditionally have on other bills in the past, so I am reluctant at this time to provide a closing hour because indeed things may go well, the presenters are here, we may develop our second or third wind and may want to sit until very late in the morning, and that might be the case.

Mr. Ashton: I also want to remind the minister, I raised the concern earlier about the process that we are following and that, if someone is missed, if it is called one more time, they will not be able to present to this committee, and that it is very difficult for people to be able to predict when they are going to be reached on the list. I think it is only reasonable for members of the public who are here that we give them some rough idea. I am prepared to sit here as long as it is necessary, I think the committee members are, but I think it is clear to members of the public—I was receiving questions from people when I was out in the hallway. All I am suggesting is that in the future we show a bit more consideration for the members of the public and give them some general idea. The logical conclusion of what the minister is saying is that if the minister and the government want to sit here until three or four in the morning, everybody else is going to have to stay here until three or four in the morning or risk losing their position in terms of presentation. That is all we want to avoid. We just want to be reasonable here and give a clearer signal to members of the public as to how late we are planning on sitting. That is all we are asking for.

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Mr. Manness: Mr. Chairman, I want to indicate to the member that is why we felt it only fair to provide an opportunity for a second call. Let me say, and I

will serve notice right now, there will be some hearings where, indeed, we may very well sit to three or four in the morning and that, therefore, is the notice to the presenters. We will be sitting very late on some nights and that should be taken into account. It is the only way we are going to be able to hear the hundreds of people who want to be heard.

Mr. Ashton: Mr. Chairperson, I get very concerned. It is not a question in this case of accommodating people wanting to make presentations. We dealt with that earlier and the minister rejected some suggestions we had made, for example, for out of town presenters, and concerns we had expressed, but I do not believe it is reasonable for the many working people who want to make a presentation before this committee to expect them to have to sit here night after night until four in the morning without any notice beforehand, without a clear idea of when they are going to come up on that particular night. I would suggest that we respect the fact that people have to work. There are a lot of people who are working people. The minister might want to sit here until four o'clock—I think it is a lot fairer if we have more logical hours. He is already having us sit two times a day.

No one is suggesting we stop people from having the right to present. I just do not think it is fair to the people of the province if they have to sit here until three or four in the morning because the government members who control the committee feel that they want to sit here until three or four in the morning. That is not fair.

Mr. Chairman: Order, please. Those members wishing to speak their mind can come through the Chair after.

Mr. Manness: Mr. Chairman, I am willing to sit here until three or four in the morning only because I want to hear the representations of hundreds of people who want to address Bill 70. I am not forging a new path, I am following the traditions of this House and this committee, which on many occasions—indeed, when the former government, other governments, this government has sat into the wee hours of the night, on occasion, some presenters have come back on more than one occasion so that they would not lose their opportunity to make their presentation.

We are trying to be as flexible as we can so that everybody will have an opportunity to speak, and to that end there will be a second call. Also, to the

extent that we can work it, individuals would have a preferred night, that we would ask the Clerk's Office to try and accommodate that.

Mr. Chairman, we are being as flexible as we can under the circumstances and I would like to ask Mr. McLean a couple of questions and at least let him retire for the night.

Mr. Ashton: Just so we have a clear idea for people here tonight, will the clerk be asking those who wish to make presentations? Could we then perhaps have some announcement of people, how many people there are so that people can judge accordingly for tonight?

Mr. Chairman: I will take it upon myself to have the clerk go out and what we will do is we will take care of that now and then we will ask some questions of Mr. McLean.

Are there any presenters who want to make presentations as of this evening? Raise your hands. The clerk will come out and get your names and we will put them in the numerical order that you appear on the list.

Mr. Manness: Mr. McLean, I listened very carefully to your presentation and there are a lot of elements of fact that I agree with in what you have said, and certainly I am not going to shy away from the fact that the government exercise its option and ask not only of Manitoba Hydro but the boards of other Crowns, to be very cognizant and to follow the government wishes with respect to this.

I only ask whether or not there is an understanding that a bill like this which provides great powers and which is not brought in lightly and I dare say was not brought in quickly, but the very essence of it, as to whether or not people are, even though they dislike it, going to be able to stomach it at all, is whether or not there is some element of fairness to it. Fairness, of course, is very hard to measure and a word that you cannot even define, and certainly you cannot measure, but, to the extent that Crown corporations are in essence people-owned and accountable in the final resort to the elected people, i.e., the government, how could a case possibly be made that the employees of Crowns should be treated differently than those working directly for government?

Mr. McLean: Well, certainly in answer to your question, I guess I will give it two parts. One is that I would suggest that if the bill does not pass, then, in fact, everyone could be treated the same. On the

other part of the question, certainly over time other members of the public sector have been treated differently than our members have, have been treated differently than various parts of the general public sector have because, in fact, Manitoba Hydro has had financial difficulty over the years. In fact, during some of those times we took smaller wage increases or took less benefits than other people have.

We certainly do not have some of the benefits that are available to, for instance, some of the other unions we have heard from tonight. That is not a matter for us to debate here, it is a matter for us to try and negotiate at the table. I would love to be able to do that.

Mr. Manness: Mr. Chairman, I would ask Mr. McLean whether or not those negotiations as to the next contract year, whether or not they can begin relatively quickly? I mean, that is the offer we provided to MGEA to the extent that as soon as we are through summertime and we work toward the new contract after the 12 month freeze, we will begin to work towards negotiations and bargaining. Is that same offer not good enough to your union?

Mr. McLean: We are ready at any time; however, we are limited by the constraints in our contract with a 60-90 day opening provision which would put us after Christmas next year as well. Certainly if you would like to help us, our final presentation to our selector for FOS will be completed tomorrow afternoon and you could maybe make some influence at that point.

Mr. Ashton: It is interesting you mention about final offer selection because the Minister of Finance (Mr. Manness) and this government had agreed that final offer selection would not be repealed. Immediately on passage of the bill last session which would eventually repeal final offer selection, had extended the period during which it would be applicable, a period which would have included, or did include, in fact still includes your local and your members.

I want to ask you straightforward for your opinion and with the Minister of Finance (Mr. Manness) here who signed a document that said it would apply during that time period, what you feel and what your members feel about a government that a few months ago said, yes, you can have access to final offer selection, that you went to your members, they said yes, and I recognize that some were prepared

to walk a picket line to fight for a contract, and now find with Bill 70 that the signed document that the minister had put in place to keep final offer selection is null and void?

What do you think and what do your members feel about that?

Mr. McLean: Our members have been telling us in no uncertain terms that they feel annoyed, frustrated, betrayed, quite willing to ignore any recommendation that their leaders may make to be reasonable next time around, because, in fact, they are fighting mad. They recognize that, with the extension of the previous contract, their right to strike this year is gone. With their vote for FOS, in fact, that was gone. The option that was presented, certainly within the FOS ballot, was that prescribed by law. There were only two choices available by law on that, but certainly there was no doubt in anyone's mind that a vote against FOS was a vote to strike. Those people, certainly the 2,363 people that we mailed ballots to were well aware of that and they made their choice, and 85 percent of them made their choice on that basis.

Mr. Ashton: So the members of your union, when faced with the choice of strike or going to final offer selection, chose final offer selection as an alternative to strike action, something that would obviously have been a major sacrifice for them individually, would affect service provided by the Crown corporation. Now the effect of Bill 70 is that this government is taking away that option that your members had, making it probably, as you are saying, a lot more likely the next time they will not try and find an option such as that, they will vote to strike.

Mr. McLean: Those that are left. There are a large number of them headed for B.C. and Saskatchewan and other places in response to those ads, some of them just moving into the centre of the city of Winnipeg. Certainly, I guess, if some of the things that have been suggested in terms of total ownership of the city's power distribution system, either direction might go. They might be ours, we might be theirs, but certainly we have a shortage of skilled people in most of our trade groups. That is not because they have not been training, but because when they get trained, they go somewhere else where the wages are higher, the grass is greener and the pay is better.

* (0010)

Mr. Ashton: So you are saying that your members are already underpaid relative to other utilities, including Winnipeg Hydro, and that this is going to aggravate that.

Mr. McLean: As an example, the journeyman linemen is approximately \$2 an hour behind city Hydro's journeyman linemen, more than that behind SaskPower, certainly more than that behind both Alberta's various utilities and B.C. Hydro.

Mr. Ashton: So if you work for Manitoba Hydro as a lineman you get paid less than if you work for Winnipeg Hydro?

Mr. McLean: Yes.

Mr. Manness: Are you surprised at that?

Mr. Ashton: Well, the Minister of Finance (Mr. Manness) asked me if I am surprised at that? What I am surprised at is that the government will not allow the collective bargaining process to allow the members of IBEW Local 2034 to rectify those inequities.

I want to also ask the presenter for his comments on the statements by the Minister responsible for Hydro (Mr. Neufeld), and this occurred during debate. It is recorded in Hansard. The minister responsible for Hydro said the Hydro workers are overpaid. I am wondering what your reaction, the reaction of your members are to the Minister responsible for Hydro's statement?

Mr. McLean: Certainly, there are over 55 percent of Manitoba Hydro's employees who I do not feel are overpaid; they do not feel they are overpaid. There may be some people in the management of Manitoba Hydro who are overpaid, but certainly I think our president might like the same salary as the one in MTS.

Mr. Ashton: Mr. Chairperson, I can appreciate that, increasingly. I want to ask you as well what the reaction of your members is to the fact that Hydro has had a fairly successful year this year and that, in effect, in this particular case—and this is another quote in terms of what has been said by the Premier. He is saying that one of the issues here is going to be through this wage freeze of wages for Crown corporation employees. Rates will be kept down.

I believe you mention that in passing in your brief. What is the reaction of yourself and your members about the Premier saying that Bill 70 is necessary even though Hydro has got significant profits this

year, and the only real impact of this is to subsidize rates for the corporation?

Mr. McLean: Certainly the question of who is subsidizing the rates and that sort of thing has been a matter of much public debate. The Manitoba Hydro consumer rate is among the lowest in Canada, and certainly in most of the major power utilities in Canada, our wages rates are among the lowest. Certainly that indicates to our members that they are, in fact, subsidizing Manitoba Hydro's operation.

The interesting part of the question about rates, I suppose, is that in fact some of the presentations that were made to the Public Utilities Board included salary increases. Certainly some of those were rolled back somewhat, but not completely. So I wonder what the corporation is in fact going to do with the money that they told the Public Utilities Board they had to have to give us a raise.

Mr. Ashton: One further question just to put it in perspective, and I have had the opportunity to go through some of the documentation in terms of the status of a lot of your members. It shows that out of the last ten years, I believe, seven or eight of those years, they have actually fallen behind in terms of inflation relative to the wage increases. I am wondering if you can indicate the general situation for your members in terms of that, say over the last ten years. Would they be keeping in pace with inflation or falling behind?

Mr. McLean: Definitely not. Some of the figures we have recently been crunching because, in fact, we are doing a rebuttal presentation tomorrow in our FOS process, indicate that since 1980 inflation has been approximately 15 to 20 percent ahead of the salary increases we have got: inflation past 80 percent since 1980 and salary increases in the low 60s.

Mr. Ashton: So, in other words, your members have already fallen behind inflation, and the impact of Bill 70 is going to mean that regardless of what they would have received under final offer selection—or might even receive still because I know the selection process is still in place, final offer selection is still in place—they are going to fall even further behind if Bill 70 is passed.

Mr. McLean: Certainly. There is no question.

Mr. Ashton: I would like to thank the presenter and indicate I have had the opportunity over the last number of years to get to know a lot of Hydro

employees. I was on the board for a brief period of time and I certainly respect the work they are doing.

I noticed when we had the storm, everybody took for granted that a lot of your members would be out putting up the power, and they did in record time. I certainly appreciate their frustration when their services are taken for granted and when they find, after going through the process they have, when the significant work that has gone into collective bargaining over the last nine months—and I have talked to people involved in the bargaining process—that they now find themselves faced with a bill like Bill 70 which is really a slap in the face for those Hydro employees who put in their duties without ever really getting much recognition they should receive.

Mr. McLean: They are certainly proud to do it, and they are pleased to be out there providing the service, but they are getting a little frustrated.

In respect to the negotiating process, and you mentioned it, I certainly cannot fault the management negotiating committee because they worked very hard to achieve a contract because we certainly had something done before May 22, before the expiry of the previous contract, and that cannot be done by one party.

Mr. Edwards: You mentioned a number of things that you had in fact settled with management prior to Bill 70 coming in, and I think you mentioned that you only had one left. That was the issue of wages. What has happened to those?

Mr. McLean: At the moment, because they were signed into a letter of understanding on May 23 in fact, we are honouring them. They are, in fact, cost neutral. We gave up some things to get other things that were satisfactory to both parties. It was a cost neutral agreement that was signed prior to June 2. I do not know how that will be interpreted if the bill becomes law, but certainly at this point in time it is being honoured by both parties.

Mr. Edwards: You indicate that it will go forward. I see in the bill—and perhaps the minister will clarify this at some point, because I see him shaking his head—collective agreement is defined and so is compensation rate. What is carried forward for the year is not compensation rate, but collective agreement.

To that extent it strikes me, and the issue has been raised earlier, that all other benefits, monetary or nonmonetary, which may really have nothing to

do with the stated purpose of this act and things you have just articulated, would seem senseless not to allow those to go forward. Perhaps the minister will give us an answer at a future date, but I hear you saying, if you could confirm this, that in fact those nonmonetary things have been put into practice in your workplace, despite what may or may not happen with Bill 70?

Mr. McLean: We perhaps extended some of what Bill 70 is doing as well, because we extended the previous contract until the selection was extended by a letter of understanding that was signed prior to—it was signed at least two weeks prior to the bill being introduced and, in fact, extended all of the provisions of the previous contract except those that were amended, and they were in detail in the letter of understanding to the previous contract. It depends on which section of the act you read as to which would or which would not apply. I recognize your dilemma. I have been fighting with it for two months.

Mr. Manness: Mr. Chairman, I do not want to belabour this point, but certainly it is the government's intention, to the extent that we can prepare regulations and show them now that, to the extent that we can define nonmonetary and compensatory—certainly where agreements are struck, as between employer and employee groups, that they will be allowed to flow, resulting from bargaining. It is not the intention of Bill 70 to frustrate those types of grievances.

* (0020)

Mr. Chairman: No further questions of Mr. McLean? Thank you very much, Mr. McLean.

When the clerk went out, there were four people who were saying they wanted to present this evening. I am going to read out the four names. If there are any further, could you please notify the clerk. Bill Featherstone, No. 8; Robert J. Dooley, No. 9; Robert N. Kotyk, No. 27; Jan Marie Graham, No. 37, Jacques Samyn, No. 42. Were there any further presenters? If not, we will start with Mr. Bill Featherstone. Do you have a submission?

Mr. Bill Featherstone (Private Citizen): Yes I do, Mr. Chairman. I have a submission and a few introductory comments before I get into my submission.

Mr. Chairman: You can just wait until we get it submitted.

Mr. Featherstone: I appreciate this opportunity to come before the legislative review committee. I am speaking as a private citizen, as noted maybe in the list of presenters. My comments will be brief. I would like to read it through; I have this written submission for you here. I have done a considerable amount of research on some of the issues here. I am also in the process of writing a biography about my father, and some of that comes into this in this whole process.

My particular family roots cover the whole spectrum of labour and management expanding probably the last 100 years in this province. My grandfather was a labourer and an entrepreneur in this province. He fought for this country, World War I. My father, who will be 82 on his next birthday, has been on both sides of labour, has owned his own business, has been in unions, and I think my roots go back far enough to have some of that rub off over the years. He also served in the Bennett camps of 1932 and 1933, as well as the RCAF during the Second World War, so he knows some of the things about regressive legislation or the lack of labour legislation.

I apologize if some of the committee feel that my presentation is a bit simplistic. I take great exception to some of this legislation that has come through and I felt that perhaps some very simplistic presentation here to show some of the things about labour legislation, about collective bargaining, free collective bargaining, as it has been called—I have heard several comments of that in the House in some of the presentations in the House and around.

I would like to begin my presentation now, Mr. Chairman.

Members of the committee, to begin my comments about this bill before the Legislature, I think a few point of reference would be in order here. The bill makes reference as a compensation management act, but when one looks further into the sweep and potential effect if this bill is passed, one can very clearly see the attack on free collective bargaining. No one likes a wage freeze at any time, but society has learned to live with these unfortunate occurrences from time to time. In short, wage freezes are not unprecedented.

The main thrust of my comments, however, will be on free collective bargaining, the definition, the history, the Bill 70 effect, and the political comment around these issues.

There should be no mistaking the definitions for collective agreements, employers and employees. These terms are well defined with The Labour Relations Act, and the process of collective bargaining is simply a relationship these two parties have in reaching, ultimately, a collective agreement. Free collective bargaining is not something we should take for granted. Its roots have a considerable amount of blood and anguish on them.

Most of us have someone from our family, one or two generations back, who have suffered the assault of unscrupulous employers at one time or another. Labour relations acts are designed to provide a level playing field for both parties to function within. Labour has always had a struggle for democracy in Canadian society. It is under assault again today in Manitoba, with the introduction of Bill 70.

At the outbreak of World War II, The Industrial Disputes Investigation Act was put into action to discourage strikes among essential war-related industries. Canadian labour, however, was shunned from most, if not all, the industrial wartime decision making. Wage and price controls were in, military recruitment was increasing and steady employment was the result. In spite of this, there was considerable labour unrest. Basic rights and recognition were the big issues of the day.

By 1943, in response to increasing pressure and public support for the CCF party, the Tories of the day began to move in a direction of more social reform and added Progressive to their name. The Liberal government under Mackenzie King saw the writing on the wall also and in 1944, not to be out-moved by the opposition, passed an Order-in-Council, P.C. 1003. This order incorporated the principle of compulsory collective bargaining.

If unions could prove to a labour relations board that they had a majority of support of the workers in a workplace, they could be legally certified. Employers could not continue to refuse to sit at the bargaining table with legally certified bargaining units. The newly formed Labour Relations Board would rule on any unfair labour practices from either side.

The passing of P.C. 1003 was the breakthrough required for unions and for the first time in 100 years of documented struggle, Canadian labour had its beginnings of democracy in the workplace.

At war's end, and the years following, the balance of power between capital and labour did not roll back as expected and as it had at the end of World War I. P.C. 1003 was only a war measures act and could not go on indefinitely. It was therefore extended for two years into what was called the reconstruction era.

By 1948 it became very obvious that things were not going to change, and the federal government passed a new act, the Industrial Relations and Disputes Investigation Act, incorporating the content of P.C. 1003, and you would note the similarity of the War Measures Act name. P.C. 1003 now had a permanent place in industrial relations in Canada. I would begin to wonder how much longer.

There were other significant points of change in Canadian labour relations, but this brief is not intended to be exhaustive in that regard. Time nor space will not permit such. One other point in the history of labour in Canada that is worthy of mention though, must be shared. This occurred in 1945, and involved the lengthy and bitter strike between the UAW and Ford in Windsor, Ontario. Justice Ivan Rand was the arbitrator called in to resolve that dispute.

The resulting Rand Formula from Justice Rand's decision that had been adopted by most of industry and the labour relations acts, provides that all employees covered by the collective agreement in force are required to pay union dues, but are not required to join the union. The employer provides a dues checkoff to the union, giving them the needed financial security with which they can participate as an equal partner in the labour process.

The recognition of unions and dues checkoff did not come to the unions without a price. Most collective agreements in Canada now have management rights clauses that give the company exclusive control over questions of organizing the labour process, including staffing, work routines and technological change. Wildcat strikes were now illegal. Strikes could only occur legally after the expiry of a contract, and then only after a conciliator had been appointed and failed in an attempt to resolve their dispute.

* (0030)

Mr. Chairman, the introduction of Bill 70 sets a very dangerous precedent for labour relations in Manitoba. It circumvents any collective bargaining

that might have been possible. Section 2(3) of Bill 70 negates the prevail and provision of The Labour Relations Act, when an impasse or a dispute between parties has occurred, in other words, arbitration or final offer selection. The act is to "prevail over every other Act, every regulation, every arbitral or other award or decision and every obligation, right, claim, agreement or arrangement of any kind." That is in Section 4. All of this without any negotiation whatsoever. Sections 5 and 6 detail the term extension of existing contracts and the negation of any pending awards or such in the making. In fact, Section 6(3) clearly spells that out, quoting " . . . all negotiations, understandings, agreements and arbitral or final offer selection processes initiated before June 3, 1991 . . . are void and of no effect."

The government has made considerable comment in and out of the House regarding their wish for the free collective bargaining process to prevail within the public sector. I find these statements most contradictory to the facts and most insulting to the intelligence of the people of Manitoba, of whom many I am sure do not understand the process of labour relations, or more specific, collective bargaining.

If all the players were on a level playing field, dealing with wage restraint would have put some hope of being dealt with amicably. One can only presume that there is a further agenda regarding labour relations in this province.

Many unions within the public sector came to the bargaining table realizing the government restraint that was before them. All of them had opening positions on all issues, including wages, and all of them had an eye toward some negotiations for an amicable resolution. Then this government issued a decree December 14, 1990, with absolutely no negotiations around it: zero percent and 2 percent for all public sector workers, except the nurses covered under the MNU.

The unions began to use The Labour Relations Act that both parties are bound by, namely, interest arbitration and final offer selection, the latter of which is no longer on the statutes as of April 1, 1991. Interest arbitration requires the mutual consent from both parties of a dispute. Final offer selection may be accessed by either party. Within the framework of final offer selection, the nonapplicant party must establish that a dispute does not exist to defeat the

application. Free collective bargaining of the issues may be achieved.

The government decided to change the law rather than continue with free collective bargaining. That is certainly their prerogative. However, there is something fundamentally wrong with the direction Bill 70 is pointing for all workers in Manitoba.

Members of the committee, this legislation is riddled with fault. It tears at the very fabric of Canadian substance and right and unilaterally takes away the right to bargain collectively for both parties. Canadians, including public servants, have served and fought for the rights of all free people in this country. I served this country with Her Majesty's forces for 10 years and am very proud to have had that opportunity. Legislation of this type and order will not take away rights. Only a police state will do that. This legislation will only pave the way to make sure certain rights of workers in Manitoba will now be illegal. That alone will not stem the feelings of those affected. It will only impassion them even more. I implore you to not put your recommendation to this bill. Thank you.

Mr. Chairman: Thank you, Mr. Featherstone. I understand there are a few questions.

Mr. Manness: Mr. Chairman, only one question. Thank you, Mr. Featherstone. I ask you, given the fact that the government of Manitoba is not the only one to bring in legislation similar to this, and that is it not just the Progressive Conservative Parties across Canada, that there are governments of other stripes also that have felt the pressure build to bring this in; I would ask the presenter, given that government is forced to make very difficult decisions, would the alternative then to allow the existing legislation that is in place, that has been hard fought to achieve over many—let us say two generations—would it be better then—because government ultimately has to be responsible for either providing services, deferring taxes by way of deficit increase, or reducing services.

Would it, therefore, be your view that if we let the process continue under that which is guaranteed, that government then should exercise its right—and indeed some would say its responsibility, then if the awards were coming in through a third party, unaccountable to the taxpayer, that the government then be put in the position to have to reduce significantly the number of employees? Is that the favoured alternative from your point of view?

Mr. Featherstone: My presentation is on free collective bargaining, and I think I have made it fairly clear. I made it very simple in this because to me, Mr. Minister—I have heard you in the House and I have heard and seen your comments on TV and in the paper, that you are no expert on labour relations.

Mr. Manness: I do not claim to be.

Mr. Featherstone: Okay. So I felt that I was not any expert either, but I thought I would just bring some very simple things about collective bargaining, because I see that as the main issue here, one of the main issues that is being attacked here.

I made my comments about wage freezes. I do not like wage freezes. Nobody likes wage freezes, and it is not unprecedented to have wage freezes. I did not come here to these committee hearings to start blasting about wage freezes. I came here to discuss collective bargaining, and the issue that I am trying to make and trying to get through to the Tory government here on collective bargaining is that maybe you do not know where the roots of that are. I think you have heard it in a number of cases tonight about the attack on collective bargaining, the attack on rights of workers. It has been over and over and over again. I have been sitting here since eight o'clock, and I have not heard anything from this side of the table on any of those issues. All you have talked about is about the wage freeze. That is all I heard. I am talking about collective bargaining.

Mr. Manness: Mr. Chairman, free collective bargaining, let us deal on that.

Mr. Featherstone: Please do.

Mr. Manness: Are you saying a guarantee of security of work is a component of your understanding of free collective bargaining?

Mr. Featherstone: If it is negotiated, yes.

Mr. Manness: If it is negotiated. If it is not negotiated, then obviously the employer has the right then to react to whatever the wage increase might be?

Mr. Featherstone: I am not sure what kind of a question you are asking at this point.

Mr. Manness: Mr. Chairman, it ties back to the first question. If indeed through free collective bargaining significant wages are won, but indeed the ability of the employer is not there to pay for them, then obviously fewer people are going to have

to be employed. That is free collective bargaining, or is it not?

Mr. Featherstone: In the zero and two "offer" that came December 14, as I noted in my presentation, there was absolutely no negotiations around that at all, none. There was not an opportunity to negotiate anything. There was not a one and a half to negotiate, or a two or anything else. You said in your comments—

Mr. Manness: That is not true.

Mr. Featherstone: You can say it is not true if you like. You said in your comments that you had a 3-percent ceiling. I have not seen anything at 3 percent yet, but you could correct me if I am wrong.

Mr. Manness: No, I never said there was a 3-percent ceiling. I said on December 14 that the average of the pay envelope increase would be 3 percent. The average was three, and that had to account—and once the nurses were provided with seven, obviously other public sector groups would be under three. That is part of the public record.

Mr. Featherstone: Zero is pretty far underneath three.

Mr. Ashton: I find it interesting hearing the two ministers here. The Minister of Labour (Mr. Praznik) is suggesting the presenter does not understand; I think it is the government that does not understand. The people are getting zero, and in this case, this 3 percent average -(interjection)- Well, the minister is insinuating, Mr. Chairman—

Mr. Chairman: Order, please. I will ask the members not to debate between themselves here. This is a time to be questioning the presenter. Let us not take up his time.

* (0040)

Mr. Featherstone: I will stay here all night. It is fine.

Mr. Ashton: Indeed, Mr. Chairperson, I am sure the presenter does not mind what has become sort of a debate back and forth, and I must give him credit for doing more than holding his own.

I want to refer to the specific question in his brief, because I found it a very well-researched brief just reading through it. I have had the opportunity to talk to the presenter before who, I know, believes very much in the collective bargaining process and the element of trust that is involved with that. I would like to ask the presenter what he feels this government has done, first of all, with its negation

of its own word, for example, on final offer selection, or legislation on arbitration that has been in place since the '60s, which you point out is really there to deal with impasses in the collective bargaining process, and when it is an option, not compulsory is an adjunct to it.

What do you feel the actions of the government on those specific issues have done, and the section you have outlined very specifically that says, no negotiations, understandings, agreements, and arbitral or final offer selection processes have any effect at all? They are void and have no effect. What has that done, to your mind, for the atmosphere of collective bargaining in this province?

Mr. Featherstone: I think that it has absolutely swept the last 50 years of struggle in the labour movement back to square one. I was hoping that was the thrust that was coming through in my presentation.

As I indicated, my history in the labour movement and, indeed, my family background is on the both sides of the issues. I do not claim to be an expert, but I think there is, I have heard so many of both sides over the years that I have been on this earth, and so many impassioned feelings on both sides of the fence. Quite frankly, the struggle for the working person in this province or any other province or any country, for all that matter, is probably the social thread or fabric that sets the tone for the country in many cases.

When that is attacked, it tears at the very fabric of society. It just tears away at the very fabric. There is not anything that is so sacred to probably 80 percent of society as the rights of working people, regardless of their affiliation or who they are, whether they are unionized or otherwise. I think that legislators sometimes forget those issues. They forget the grassroots issues.

I would daresay that most—I have said it before and it probably needs repeating because I am not getting any response out of the right side of the table here at all. You are all half asleep. It is that there is nobody, I do not think, in this Legislature that could go back any further than two generations and find something and some impassionedness about a working person in your life. This legislation is tearing away at that. That is the issue.

Mr. Ashton: I appreciated your historical context. When you talked about the Rand Formula, that is

under attack in another bill involving the MMA; the way you outlined nearly 50 years ago collective bargaining was recognized by statute. I want to ask you and you have had the opportunity I know to sit here tonight and see the Minister of Finance (Mr. Manness) attempt to go after the president of the MGEA and others—

Mr. Manness: I did not go after him.

Mr. Ashton: Well, go after in terms of the questions. I have sat here. The Minister of Labour (Mr. Praznik), who said publicly that he feels this is a unique bill because most public sector workers are more than happy to pay their share of sacrifices necessary by accepting this freeze. Ministers of the Crown talking for working people.

I just ask you with your background and what you presented here, what is your reaction to ministers talking like that, their approach, and how is it exhibited by Bill 70? Do they know what working people are going through, specifically working people affected by Bill 70?

Mr. Featherstone: I do not even know if I could make any polite comments about it. I cannot comment on that at all, Mr. Ashton.

Mr. Chairman: Order, please. Mr. Featherstone is attempting to answer your question, I think I would like to hear it.

Mr. Featherstone: I do not think I can answer that question very well. I have not heard anything that sounded progressive about anything about Bill 70, any of the rhetoric, any of the other comments.

Mr. Ashton: Mr. Chairperson, and I hear the minister across the table saying, well, here is your membership list with the presentation of people before the committee. You know, before we had even begun these committee hearings, I see ministers in their high and mighty positions dismissing presentations out of hand, private citizens before this committee—

Mr. Chairman: Order, please. I am going to ask the committee to please stay away from the debating aspect until we have finished with the presentation. Let us get on with questioning the presenters and carry this evening on.

Mr. Ashton: My apologies, Mr. Chairperson, but when I hear these comments I get very frustrated, because indeed I believe that members of the public who come before the committee, such as Mr. Featherstone, deserve respect and I, quite frankly,

was concerned earlier about some of the comments that were made toward presenters. My apologies.

Just one final point with the presenter, because I know it is late and we do still have a few other presenters. I want to ask him, and I think he would be very eloquent in looking at what has happened in terms of labour relations and tying it in in historical context. I mentioned this earlier to a presenter.

Apart from the historical context, which I thought you dealt with very well, if you had the opportunity now to speak to any of the members of this committee or the Legislature who might be wavering in their views on this, particularly government members obviously, who have a government here that is indicating they will support Bill 70 and push it through, what would you say to them on a one-to-one basis, recognizing you might not get that chance, to try and persuade them to vote with their conscience on this issue, to keep an open mind, to consider the ramifications of Bill 70, what would you say to them?

Mr. Featherstone: I guess just that, I would really like them to really vote with their conscience, I would like them to contact their constituents and find out exactly what they are saying, I would like them to poll their constituents. I wrote to my own MLA and asked her if she would poll her constituents. All she wrote me back was, and I could read it, Mr. Chairman, it is very short: Thank you for your recent correspondence in which you addressed a number of concerns regarding Bill 70. I have taken the liberty of forwarding your concerns to the Honourable Clayton Manness, Minister of Finance. You may be assured a response will be forthcoming. If I can be of further assistance to you, please do not hesitate to contact me.

That is not a response. I asked her four questions and I did not get a response. I suppose I have to go to Mr. Manness to get the answer. I wanted them from my MLA, I did not get them.

Mr. Ashton: Are you going to be pursuing that further with your MLA?

Mr. Featherstone: Absolutely.

Mr. Ashton: It does not really matter in a way who your MLA is, whether you want to indicate that or not, I take it it is a member of the government.

Mr. Featherstone: Mrs. Dacquay.

Mr. Ashton: Okay. I take it you intend on pursuing this until you get those answers.

Mr. Featherstone: Absolutely.

Mr. Ashton: Thank you.

Mr. Edwards: I found your presentation very interesting and it accords with my concerns about this bill too, which I think goes far beyond this year, it goes far beyond this particular economic situation and far beyond this group of unionized workers, I think it attacks the roots of the system.

You gloss over at one point arbitration and free collective bargaining and final offer selection. Do you consider final offer selection, as we had it in Manitoba, consistent with the principles of free collective bargaining?

Mr. Featherstone: I consider final offer selection as an impetus, a tool to be used in the free collective bargaining process to bring parties to a more reasonable position. That is a personal viewpoint. I think that it has a place in labour legislation. I think final offer selection can be accessed by either party, there has been a lot of rhetoric that it was only for labour, that management or corporations had no access. That is an absolute lie, the legislation was very clear in that aspect of who had access. Either party had absolutely equal access to it. It certainly was not perfect. I think that if it had been given a reasonable chance, rather than just being thrown out, I think that there probably could have been some reasonable negotiations. I saw it as a tool, nothing more. I did not see it as an alternative to collective bargaining. I see it as part of the process.

* (0050)

I see The Labour Relations Act as one particular act. It was part of it, and collective bargaining is part of it. The definitions of the employer are part of it. The definitions of the employee are part of it. Those definitions are very clear, and I just glossed over those in my brief just to try to remind the committee that there are some very defined elements in that whole Labour Relations Act and that those things are there for a reason. I think it is unconstitutional to just go in, take little things out whenever you feel like it and then to bring in other things that completely negate it, that just take the right completely away. It just boggles the mind.

Mr. Praznik: Just one brief question, Mr. Featherstone. With respect to final offer selection, you mentioned that both parties, management and union representing employees, had equal access. That is true. Only one side had the right to compel the use of FOS. I am just wondering, would you

support that compulsion being available to both sides?

Mr. Featherstone: Yes, sounds like a new debate going on here. I am glad to get into it. I do not really want to get into that debate, but yes, I have personal feelings about it. I think it is rather rhetorical to even begin at this point because you have already dumped it, so why should I bother?

Mr. Chairman: The question is also out of order. Thank you very much, Mr. Featherstone.

Mr. Robert Dooley. Do you have a written presentation, Mr. Dooley? Okay. The clerk will come and get it, if you could wait until she has submitted it to the committee.

Mr. Robert J. Dooley (International Brotherhood of Electrical Workers, Local 435): Yes, Mr. Chairman, members of the committee, I appear before you on behalf of the International Brotherhood of Electrical Workers, Local 435. We represent approximately 1,750 employees working in craft and other occupations at the Manitoba Telephone System.

We stand opposed to Bill 70. Our organization is presently celebrating its 100th anniversary, and our local has been representing workers in Manitoba since 1904. We believe workers have the right to be represented by a union of their choice and have a right to the free collective bargaining process. Over the years, we have had an harmonious relationship with our employer, and negotiations have resulted in many reasonable and responsible contracts without strike.

We have been under wage controls imposed by various governments for the past eight years. During those years, our wage adjustments have been at or below the cost of living for Winnipeg. Since 1985, the wage adjustments have fallen 14.5 percent behind the cost of living for Winnipeg. We, like the nurses, are losing our relative position with our counterparts in other provinces.

During the last imposed three-year contract, the employer has enjoyed a net profit of approximately \$90 million, according to their published financial statements—\$39 million in the last year. You cannot argue their ability to share some of these profits with what they like to refer to as their most valuable asset, their employees. We are not looking to regain the shortfalls of the last eight years, but we would like to come close to maintaining our standard of living now and in the future.

When Bill 70 was announced, IBEW and MTS were within hours of a negotiated contract on all items except wages. This was to be settled by FOS. Although we had not decided on our final position on this issue, I believe our demand would have been less than 5 percent.

Telephone workers have been a very dedicated group of workers. They believe in delivering the best service possible to the people of Manitoba despite the sometimes confusing directions that come down from management. The rank-and-file workers have been carrying this company for years and deserve to be paid appropriately. As taxpayers we would like to make a few comments on the application of Bill 70 to other workers who are affected by this legislation.

As previously indicated, for eight years now the government of the day has applied wage guidelines which, in effect, were wage controls on all Crown agencies and civil servants, but have shown no control over their spending of taxpayers' money. They refuse to apply a fair taxation system and continue to tax the average Manitoban while letting business ride along. In fact, many large corporations have received huge grants while paying little or no taxes at all to support this country and the province.

The salaries of working women and men employed by this province are not the problem. They have been held in check by the guidelines. Mismanagement by the largest institution in Manitoba, namely the government, is the cause of the huge deficit we now endure. Friends and relatives do not pay the government's debts, but 48,000 taxpayers, their families, relatives and friends do.

Workers in Manitoba employed by the government Crown agencies have helped to curtail the wage costs for a number of years now. Our forefathers fought for the right to free collective bargaining. You are expecting too much from the women and men in your employ.

If the Manitoba Telephone System and the government are truly concerned about the most valuable asset this province has, the trained and dedicated people in their employ, Bill 70 should not be proclaimed into law. Thank you.

Mr. Chairman: Thank you very much, Mr. Dooley. There are a number of questions.

Mr. Manness: Mr. Chairman, I think Mr. Dooley makes a lot of sound comment here. On page 3, Mr. Dooley, you say: Friends and relatives do not pay the government's debts, but 48,000 taxpayers, their families, relatives and friends do. I agree with you, except government's debt is the people's debt. I know you are aware of that. That is why, when I refer to page 2, you talk about how governments: which in effect were wage controls, but have shown no control of their spending of taxpayers' money. Are you aware that I brought down four budgets, and that over those years the Province of Manitoba has had by far the lowest increase in spending of any province in the nation?

Mr. Dooley: That still is not good enough, Mr. Minister.

Mr. Manness: Okay. I recognize there is a long way to go. Can the presenter then tell me how it is, when he talks about this debt—which for the most part we inherited, an interest bill on which amounts to \$550 million a year—how it is that we are supposed to address that problem without trying to hold wages down to some level?

Mr. Dooley: I think Mr. Olfert in his presentation clearly indicated that the wages of the civil servants were not that significant as compared to your other spending.

Mr. Manness: Mr. Chairman, the public, outside of the Civil Service, including the public sector, \$3 out of \$5 spent are spent on wages. -(Interjection)- Yes, I just tell you the facts, sir. The point I am trying to get at is I believe in your theory that government expenditures, in spite of the fact that the opposition on a daily basis berates us for not spending more, is the root cause of government's problems, regardless of political stripe, across this nation. So I say to you I agree with many of the comments made in your brief.

* (0100)

Mr. Ashton: I am waiting for the question, Mr. Chairperson. I just found it interesting that Mr. Manness did not agree with the clear opposition to Bill 70. It seems that he is getting to the point of desperation of selectively reading briefs and I ask you directly on that because I take it from your presentation on behalf of your members you are saying they should not be the scapegoats. They should not be the people made out to be the villains, that whatever perceived evils the government of the day has, you are saying they deserve a fair wage

settlement. They do not deserve to have their wages unilaterally frozen by the government.

Mr. Dooley: I believe that all workers in the province of Manitoba should have the access of free collective bargaining and should be able to negotiate collective agreements. I negotiate collective agreements for very small companies. In some cases, I have negotiated agreements for one and a half employees. I know about the ability to pay. I have dealt with those contracts.

Mr. Ashton: Well, dealing with the ability to pay, I found it interesting you attached the financial position of MTS. What are the views of your members? Do they feel that it is reasonable that the government should say to your members they should get a wage freeze when, in fact, MTS has had a significantly positive revenue picture, certainly taken advantage of increased use of telecommunications, rate increases, et cetera? Is that fair to the mind of yourself and others?

Mr. Dooley: I think it is fair to say that our members are not carrying on their jobs with as much enthusiasm as they formerly were, and that they are seeing what is going on with respect to Bill 70. They are seeing what is going on with respect to the wages of our chief executive officer, and I would remind you that the chief executive officer of the current day might have got a \$20,000 increase, but these wages have increased 100 percent since 1988, not a mere \$20,000. They have doubled since the days of Gordon Holland.

Mr. Ashton: I want to focus on that because the Minister of Finance (Mr. Manness) earlier tried to defend what had happened. It is an issue that has been raised with us many times in terms of the opposition. The situation of the new chief executive officer receiving \$20,000 more and you are indicating historically it has actually gone up significantly more than that.

I want to ask you, once again in terms of the grassroots people you represent, line employees with the telephone system, 1,750 people, what is their reaction? We heard earlier tonight a reaction of one individual who works for MTS, worked for 34 years in his workplace. What is the reaction out there? Do they feel it is fair that you have one set of rules in this particular case for executive officer salaries, and another for line employees?

Mr. Dooley: They do not think it is fair at all.

Mr. Ashton: I appreciate your concerns and what I am hoping, by the way, does come out of these hearings, is that more and more of the committee members will hear of those types of concerns. I do not think they fully understand yet, some people, what is happening out there. I would just like to ask you finally if you, in your own words, and you have obviously in the brief put in considerable thought in terms of the situation, if you could appeal, as I said earlier, to some of the people who might be thinking about this on the government side, might vote this out as a matter of conscience? What would you say to them, one on one, on a personal basis, to try and persuade them not to support Bill 70?

Mr. Dooley: I think Bill 70 is destroying the Telephone System and the employees. I, too, formerly worked for the Telephone System and would have been celebrating my 31st year with them this year. The attitude I am getting from the people is they are getting a don't-give-a-damn attitude, and I do not like it. As a union person, having to represent people, I do not like that attitude. I like people to be enthusiastic about their job, be willing to deal with the customer satisfactorily, get out there in those storms and repair service, fix those lines, provide service to the people in rural and remote communities in all kinds of weather and all kinds of conditions. I do not like a don't-give-a-shit attitude; I do not know if I can use those words, but I did.

It is killing the morale. As Mr. Rudiak said, this company is now a ship without a tiller; and with deregulation and everything on the horizon, interconnect, uncertainty, Bill 70, no longer the right to negotiate collective agreements, it is killing us.

Mr. Ashton: I really thank you for those comments. I do know—and I mentioned this earlier in terms of Hydro employees, I know in terms of MTS—that the people you represent are there, and I think we appreciate their contribution. I can really understand their frustration now, even so soon after the last situation where their services were really in need; on a very urgent basis they face this type of situation. Thank you very much.

Mr. Chairman: Thank you very much, Mr. Dooley.

Mr. Dooley: Thank you very much.

Mr. Chairman: We will now call on No. 27, Robert Kotyk. Have you got a written presentation, Mr. Kotyk?

Mr. Robert N. Kotyk (Private Citizen): I have a very brief written presentation.

Mr. Chairman: Have you got it written for us?

Mr. Kotyk: Yes, it is typed out.

Mr. Chairman: Wait until we have all received it.

Mr. Kotyk: Certainly.

Mr. Chairman: Is that the right pronunciation, Kotyk?

Mr. Kotyk: Kotyk, yes. I am in your riding.

Mr. Chairman: Let us point it out right off the bat.

Go ahead, Mr. Kotyk.

Mr. Kotyk: To the members of this committee, I will be brief; the hour is late.

I would like to state that I am opposed to Bill 70 on the grounds that this legislation is an infringement on my basic right as an employee to free collective bargaining with my employer, that is, the Manitoba Telephone System.

What I would like to know is what gives this government the right to arbitrarily intervene in the middle of our negotiation process and legislate me and my co-workers to accept our present contract for an additional year. This is not right, fair or just. My union, which is the International Brotherhood of Electrical Workers 435, had already started negotiations with the Manitoba Telephone System and had invested a considerable amount of time and financial resources in an effort to obtain a reasonable settlement on my behalf. In this regard, I would like to know who is liable for this expense.

I do not really appreciate my union's resources being squandered by a government that feels that it has the moral authority to squash a right that has been fought for and hard won by generations of people who have chosen to belong to a union. The present government was elected to govern Manitoba in a responsible manner and not try and remake it in the image that they feel it should be.

Free collective bargaining is a matter that is between me, my union that represents me and my employer. This government does not have the right to manipulate a freedom that I enjoy as a citizen of this province of Manitoba and Canada to suit their own agenda.

I ask this committee to strike down Bill 70, restore my union's freedom to bargain with my employer for fair compensation for my daily labour. Thank you.

Mr. Chairman: Thank you, Mr. Kotyk. There might be a number of questions.

Mr. Ashton: Mr. Chairperson, I have given a number of presenters before the opportunity to put directly, to assume they were looking directly in the face, perhaps their member of the Legislature or people who might be wavering, and I do not mean to put the Chairperson in the spot here, but you have that chance. There are others here. I am looking at the government members who might still be willing to vote on this, on a matter of conscience, to keep an open mind.

* (0110)

What do you have to say to your member of the Legislature and to others who would be open minded? Mr. Chairperson, every time I ask questions, the three ministers at the front seem to be a chorus attempting to interrupt—

Mr. Chairman: Order, please. Mr. Ashton has the floor at this time and I would appreciate it if we allowed Mr. Ashton to carry forward his line of questioning at this time.

Mr. Ashton: I am saying to the presenter, now that he has his member of the Legislature sitting here—and I do not mean to particularly pick on you, Mr. Chairperson, but it does happen that he is one of your constituents—what do you have to say to your MLA? What would you say to him right now to try and persuade him to vote with his conscience and defeat Bill 70?

Mr. Kotyk: What really bugs me is my union had already started negotiations with the Manitoba Telephone System and were well on their way to achieving a contract and were cut off at the knees. We have expended time, money, effort on behalf of myself and all the co-workers, and the government arbitrarily just walks in and goes bang. It is cut off. It is not fair. It is not just. It is not right.

Mr. Ashton: I appreciate your comments and I ask you as I did earlier. There was a 34-year employee of MTS here. What is the sense out there of people you are talking to? What about the people you work with? Do they feel that Bill 70 is fair and this wage freeze is fair?

Mr. Kotyk: No. They are unhappy. They are very unhappy. Morale is sinking, slowly, more rapidly since Bill 70 was being forced down our throats. They were looking forward to a modest wage increase this year, and they were also looking forward to achieving a signed agreement with the Telephone System and that builds morale and confidence and puts everybody on a happier playing

field. Right now it is miserable. They are unhappy and they are really miserable, and it is going to get progressively worse as time goes on.

Mr. Edwards: Mr. Kotyk, thank you for coming forward. What was your wage increase last year, do you recall? Was there an increase in wages for the last fiscal year which you would have received? That is the year whatever it was that year prior to the year you were negotiating for.

Mr. Kotyk: Yes. It was in the 3 percent range.

Mr. Edwards: What year would that have been for, what fiscal year? Would that have been for '89-90, or '90-91?

Mr. Kotyk: 1989.

Mr. Edwards: Okay. I see that from the statistics which have been put before us from MTS' annual reports, in 1989 they had profits of some \$35.6 million. In 1990 they had \$39.5 million, and that had jumped dramatically from 1988 when they were down around \$15 million. Does it make sense to you that they would have included in their forecast for the coming year, probably some increase, certainly not exorbitant, but some increase in wages as you were about to negotiate with them?

Mr. Kotyk: I would think a natural assumption would be they would have built it into their budget, yes.

Mr. Edwards: Did you have any reason to suspect, in the negotiations from your point of view as a union member, that strike was imminent, or that you were likely to be unable to reach some kind of a reasonable settlement with them on wages?

Mr. Kotyk: No, I think everything was well on track until the announcement of Bill 70 was brought forward.

Mr. Chairman: Thank you very much, Mr. Kotyk.

Mr. Kotyk: You are welcome.

Mr. Chairman: It took patience to stay until a quarter after one. We will now move on to the next presenter. Number 42, Jacques Samyn. If you can give me the correct pronunciation.

Mr. Jacques Samyn (Private Citizen): Jacques Samyn.

Mr. Chairman: Samyn, okay. You have a written presentation.

Mr. Samyn: Yes, I do.

Mr. Chairman: Supply it to the clerk and she will distribute it, and then just give it a minute to get around.

Mr. Samyn: I am making this presentation as a private citizen. I would like to thank the committee for allowing me to present my views on Bill 70, The Public Sector Compensation Management Act.

Over the past three years, Manitobans have closely watched the transformation of eastern Europe. I am certain that everyone is pleased to see that fundamental freedoms are being restored to people whose former rulers never saw fit to allow their citizens to exercise basic liberties that we take for granted in the west. I am certain that members of the government welcomed these changes with open arms.

However, it is ironic that while we applaud the introduction of rights and freedoms half a world away, Manitobans are currently in danger of having some of their basic rights stripped away through the introduction of Bill 70. The bill is a complete denial of the rights of Manitobans to engage in meaningful collective bargaining with their employer. Manitobans should protect their rights jealously. If we let the government take rights away from one group under certain pretexts, how long will it be before other rights are eroded because of different emergencies? All rights are sacred and no government should deny citizens any of the fundamental freedoms that Canadians enjoy. For this reason alone, Bill 70 never should have been introduced.

Finance Minister Clayton Manness has said that Bill 70 is necessary to control the deficit and battle the recession. I would be the first to agree that steps must be taken to deal with the growing budget shortfall. However, the solution that is embodied in Bill 70 is both incorrect and unfair. The most obvious question raised by Bill 70 is why only workers covered under Definition 1 are the only people selected to shoulder the fiscal burden facing Manitoba. Were these workers responsible for the provincial and federal governments' economic mismanagement? Moreover, it seems patently unfair that the burden has been placed on the backs of many of the lowest paid workers in the province, while judges, doctors, the Premier's office staff and other government-appointed positions remain unaffected. Given clear double standards such as this, it is no wonder that the public views government with cynicism and mistrust.

I would remind the members of this committee of the words of Premier Gary Filmon on October 16, 1990: We will act in good faith at all times in the open, free collective bargaining process with all of the employees with whom we have to negotiate.

Bill 70 makes a mockery of those words because it is a complete denial of the collective bargaining process. The government established the ground rules for negotiations in The Labour Relations and Civil Service Acts. However, when these rules do not seem to work to the government's desire they are quick to change the rules in the middle of the game.

Bill 70, if passed, will fundamentally affect labour relations in Manitoba. One must wonder, therefore, why Bill 70 was never presented to the Labour Review Committee, which consists of members from both labour and business. Could it be that the government knew that this legislation was so broad and sweeping that the Labour Relations Committee would have been quick to criticize it?

On a practical level, I also have several concerns about Bill 70. Many bargaining units will find that half of their members are covered by Bill 70, while others are excluded. How can a union negotiate for these excluded personnel? As well, Regulation 9(1) gives the government open-ended power to include and extend the regulation without the approval of legislation.

The government has tried to sell this piece of legislation to the public by claiming that the scope of Bill 70 is limited. However, if this truly were the case, then such gaping loopholes would not exist.

Bill 70 does more than freeze wages. By unilaterally extending contracts, it prevents unions from negotiating on hours and conditions of work and other issues not related in any way to the deficit. Clayton Manness may say that Bill 70 is an attack on the deficit. What he fails to mention is that it is also on unions in Manitoba. I would remind this committee that the labour movement is also concerned about the deficit. Unions are not about to make unreasonable demands in these difficult times. Bill 70, however, wrongly assumes that unions will seek to bankrupt Manitoba. Rather than attempting to deal with unions face to face as equal partners, the government tables Bill 70, a heavy-handed piece of legislation which hits ordinary Manitobans hardest and which cripples unions' ability to represent and protect working

Manitobans. Respectfully submitted, Jacques Samyn.

* (0120)

Mr. Chairman: Thank you, Mr. Samyn. There are a number of questions, I believe.

Mr. Manness: I thank Mr. Samyn for his presentation. Sir, you say that unions will not make unprecedented demands on the government. The value of the MGEA requests represented a 30 percent increase over two years. That was the quantification of the demands as presented. I would say that was unreasonable. The judges asked for 43 percent. I would say that was even more unreasonable. The reality is, sir, that there are many who have made demands on government that have far exceeded the rate of inflation—not everybody, but certainly there are those that have. I do not beg to differ with what you have said, other than to say that there are some who, in my view, have made outrageous demands.

Mr. Samyn: Okay. To answer to you, I am not going to just speak for the MGEA because I am not part of their negotiations. Labour relations and negotiations that do take place, unions probably do make an initial demand, but a response from the government of zero percent is also ridiculous. If you figure that 30 percent is ridiculous, so is zero percent.

Mr. Manness: Mr. Chairman, it is, I guess, ridiculous in the sense of the last 20 years. I would acknowledge that, but I would also make the point, under the reality of what we face today fiscally, that zero percent was a very, very, very attractive offer under the circumstances.

Mr. Samyn: If zero percent is so interesting, I am surprised that you, as the minister responsible for drafting this bill, which is a labour relations bill really, saw fit to exclude the judges when you said that their demands are unreasonable, but you excluded them.

Mr. Manness: If the presenter had read the paper the other day, he would be cognizant of the fact that the government, as is required by legislation, is bringing forward in due course, maybe as early as next week, its recommendations flowing from a report provided to the Legislature by the Minister of Justice (Mr. McCrae) just this week. At that time, I would ask you to reflect on your words tonight because I am sure the government will not be providing for significant or any increase to judges.

Mr. Ashton: Since we seem to be getting into more of a conversational mode here, where the Minister of Finance seems to be exercising his concerns on this bill—I actually have a question I wanted to ask. I noted with interest your comments on eastern Europe, and I think it is ironic that probably one of the originating factors in eastern Europe was the struggle in Poland of solidarity for collective bargaining rights, that in fact the first breakthrough in terms of eastern Europe, in terms of some of the changes that have taken place, in terms of that trade union movement, and that in many ways in other countries as well there followed, equivalent with the movement toward greater democratic reform, also reform of the trade union movement in those countries for a free collective bargaining process.

I wanted to ask you after reading that comment, you obviously put it in there for more than just informational purposes. Are you suggesting to members of this committee that in a lot of ways Bill 70 goes absolutely in the opposite direction of those democratizing eastern European countries have in the area of trade union relations?

Mr. Samyn: Yes, I do believe that this is very hypocritical of the government, on the one hand, to embrace those people. A lot of you mentioned some of the changes that were initiated through the labour movement, and in suppressive countries the labour movements are the ones that have put democracy in here. Here when you have a government who claims to believe in democracy taking the rights away from people, it is completely hypocritical when they just applaud those people for doing it, and making those grandstanding all over the world, you know, how nice it is for those people. Yet around here, under a pretext of economic difficulties, they are taking the rights away.

Mr. Ashton: I also find your comments interesting in terms of rights of people being taken away in case of an emergency because some might suggest—and I would to a certain extent—the war measures act of labour relations. In this case, the government is saying that the emergency is not a war. It is whatever fiscal problems the government has, interestingly enough fiscal problems that were not such a major problem a few months ago during the election. They are saying, effectively the collective bargaining rights are suspended, in this case, presumably for a period of one year.

Are you saying to members of the committee, and specifically to the Minister of Finance (Mr.

Manness)—because he is the one who keeps trotting out this line about the serious situation that we are in—are you saying to him that you do not suspend those kind of rights under any circumstances? Are you saying to him that you believe collective bargaining should be in place regardless of whatever difficulties the Minister of Finance may have in a given point in time?

Mr. Samyn: I think it is an excuse, because if I look back at the last election, this Minister of Finance said the financial situation in Manitoba was very rosy. At that time, that was what they campaigned on, how financially responsible they were and how the financial situation in Manitoba was on a good footing, on a solid footing. Yet not so long afterwards, under another excuse obviously—and they cannot just build any excuses to take rights away. I would not be surprised at all that under the length of their government that they are going to take more rights away from people.

Mr. Ashton: Indeed, I recognize your concerns in terms of some of those statements because I remember myself. I remember the campaign promises that were made and the positive glowing picture that was painted of the province. It seems to have disappeared.

I wonder if you could elaborate on your last point. You are saying effectively that you see Bill 70 potentially as the tip of the iceberg.

Mr. Samyn: That is right.

Mr. Ashton: That if they get away with taking away collective bargaining rights for public sector workers, the next step could be other changes to

labour legislation and changes affecting other groups.

Mr. Samyn: We only have to look at the track record of Conservative governments, be it federal or provincial. They always have followed that direction. They have hidden agendas. They do not tell the people where they are going to go at election time.

Mr. Ashton: I thank the presenter. I know I have used the term "hidden agenda" many times, and every time I use it I am accused in the Legislature of being unfair and not treating the Conservatives generally, but after what has happened this time around I can certainly see why you and many other people are beginning to wonder, beginning to get just a little bit paranoid about what has been happening. I thank you for your thoughts tonight and particularly for staying with us so late.

Mr. Samyn: Thank you very much.

Mr. Chairman: Thank you very much, Mr. Samyn. The time now being 1:27, what is the will of the committee?

Some Honourable Members: Committee rise.

Mr. Chairman: Prior to rising, I would like to once again indicate that the committee will be sitting Wednesday evening at eight, Thursday morning at 10, Thursday evening at eight, Friday afternoon at one, and Saturday starting at 10 a.m. All these meetings will be held in Room 255 and stay tuned, we might be starting at seven.

Committee rise.

COMMITTEE ROSE AT: 1:28 a.m.