



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

STANDING COMMITTEE

on

ECONOMIC DEVELOPMENT

42 Elizabeth II

Chairperson
Mr. Jack Reimer
Constituency of Niakwa



VOL. XLII No. 14 - 1 p.m., FRIDAY, JUNE 25, 1993

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON ECONOMIC DEVELOPMENT

Friday, June 25, 1993

TIME — 1 p.m.

LOCATION — Winnipeg, Manitoba

CHAIRPERSON — Mr. Jack Reimer (Niakwa)

ATTENDANCE - 10 — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Downey, Enns, Manness

Messrs. Alcock, Ashton, Martindale, McAlpine,
Penner, Plohman, Reimer

WITNESSES:

Joan Sellor, Canadian Union of Public
Employees

Judy Darcy, Canadian Union of Public
Employees

Denis Fitzpatrick, Private Citizen

Chris Thain, Private Citizen

Linda Geary, Private Citizen

Bill Hales, Private Citizen

Lewis Coelho, Private Citizen

Bernice Bryan, Private Citizen

Debbie Meilleux-Reid, Private Citizen

Blair Hamilton, Private Citizen

William Sumerlus, Private Citizen

Patrick McDonnell, Private Citizen

WRITTEN SUBMISSION:

Janice Wart, Vocational Industrial Teachers'
Association

MATTERS UNDER DISCUSSION:

Bill 22—The Public Sector Reduced Work
Week and Compensation Management
Amendment Act

* * *

Mr. Chairperson: Will the Committee on
Economic Development please come to order.

This committee will continue to proceed with
public presentations on Bill 22, The Public Sector
Reduced Work Week and Compensation
Management Act.

I have a lengthy list of presenters wishing to
appear before the committee. For the committee's
benefit copies of the presenters list have been
distributed. Also for the public's benefit a board
outside this committee room has been set up with
the list of presenters that have been preregistered.
I will not read the list since members of the
committee have copies. Should anyone present
wish to appear before this committee who has not
already preregistered, please advise the Chamber
staff at the back of the room and your name will be
added to the list.

At this time I would like to ask if there is anyone
in the audience who has a written text to
accompany their presentation. If so, I would ask
you to come forward with your copies and place
them with the Page at this time.

I would like to announce to members of the
committee and to the public that another meeting
has been scheduled for Monday, June 28 at 9 a.m.
to 12:30 p.m., also in Room 255.

As moved by a motion on June 17, 1993, this
committee agreed to hear out-of-town presenters
first wherever possible. At this time, I would ask all
those who are present and from out of town to
please raise their hands and the Clerk will circle
your name. I have one presenter from out of town
that has already given me their name, Ms. Joan
Sellor. Is there any other? Another gentleman at
the back? If you could give your name to the Clerk,
then I will have it and call it forth.

At this time then I will call upon Ms. Joan Sellor to
come forth.

**Ms. Joan Sellor (Canadian Union of Public
Employees):** Thank you all for your consideration
as well in allowing us to be taken out of turn. This
is a co-presentation by myself and Judy Darcy.
The brief is presented on behalf of the Canadian
Union of Public Employees, Manitoba,
representing some 20,000 members working
across the province in a number of public sector
jurisdictions.

Our purpose in appearing before this legislative committee is to voice our opposition to Bill 22. We speak not only from the perspective of our Manitoba membership, but from a national perspective as well. CUPE represents some 406,000 members in all provinces and territories, and we are the largest union in Canada. We will not be following the text of our brief as has been distributed. Sister Judy Darcy is going to give you the shortened version of the text of the brief. Sister Darcy will continue with the presentation now.

Ms. Judy Darcy (Canadian Union of Public Employees): Thank you very much. I think you all have copies of our brief. I am just going to summarize the major points.

First of all, let me say I am pleased to be able to make a presentation today, as national president of CUPE, dealing with issues that affect all of our members in this province as well as many other public sector workers, but also has implications certainly for public employees across the country.

I want to deal with four major issues. The first one is the impact on free collective bargaining, and the first section of our brief deals with that in some considerable detail. This is one of our major areas of concern about this legislation. Free collective bargaining, as you know, is a cornerstone of a democratic society. It is unions' reason for existing. Many of our local unions have worked long and hard to improve their collective agreements article by article, clause by clause, and sometimes have had to walk picket lines and lose considerable pay in order to gain minor improvements in their collective agreements.

What we have now is legislation by the government that will override collective agreements, override provisions that we have worked very hard and long to achieve, and will also override many other areas of legislation, many other statutes that protect working people in this province.

As I said before, this issue is a really fundamental one, because it really strikes at the reason for unions' existence. We believe that if employers, if government have economic and financial problems, they should be engaged in meaningful consultation processes with their employees. They should take the time to involve workers in identifying where money can be saved in the process. They should involve local unions in

real collective bargaining rather than imposing the kind of thing that this effectively does.

While you may say that it is enabling legislation and that it is up to employers in municipalities, school board, hospitals and so on to make their own decisions about how it proceeds, what it does is effectively open the door to violations of collective agreements and violations of statutes throughout this province, and it frankly opens the door to concession bargaining. It says that it is okay to take things away from public employees that often they have fought very long and hard to achieve.

Our brief goes into some detail about that, including dealing with the issue of the statutes of the International Labour Organization that we believe that this legislation clearly violates.

The second issue that I would like to deal with is the impact on service, because while I have read various statements by various members of government saying that this is designed not to have an impact on service and is designed to ensure that savings come from payroll as opposed to coming from services for Manitobans, the reality is that it cannot help but have a major impact on the delivery of public services throughout this province.

Effectively, what we have is up to 15 days lockout for every public employee in this province. If 75,000 employees, for instance, out of a possible 100,000 are locked out just for 10 days each under this legislation, and we know that it could be up to 15, some 750,000 days of service to the public will be lost. If you want to compare that to time lost due to strikes, time lost due to labour disputes in this province, frankly, it is double the worst years of days lost to strikes or lockouts in Manitoba's history, certainly at least since such statistics were being compiled.

In our brief, we go through what those worst years were. The worst year on record was 1978, with 292,640 of people days lost to labour disputes. What we will be talking about here, even if employers do not take advantage of the full 15 days there, is almost triple that amount, 750,000 days of lost service to the people of Manitoba.

One of the things that our members find the most disturbing is that the government is not prepared to say to the people of Manitoba that we are going to reduce the quality of service or the quantity of service that is delivered to you. We are going to

maintain the level of service. The reality is that the level of service will be significantly reduced, and the reality is that it is public employees who work on the front lines who are going to have to deal with the anger and the frustration of their clients, of the people they serve every day, who expect to maintain the level of service when public employees are in fact not able to do that.

We also frankly wonder how the government thinks it is practical to implement this throughout the province. In the jurisdictions that CUPE represents, we wonder how schools that are already understaffed in the area of cleaning or in the area of secretarial staff will possibly be able to be administered and how the cleaning will possibly be able to be kept up, or the security up, to the levels that students and parents have come to expect when staff are expected to take anywhere up to 15 days off in the next year.

* (1310)

We would also ask you to seriously consider what it means, as far as the public, for some of the people in our society who are most at risk when 200 social workers in Winnipeg and throughout the province are not available to provide child welfare services for 10 days this year.

The system shortfalls, independent of Bill 22, have been well documented, but it is a virtual certainty that children will suffer more than they are already suffering as a result of Bill 22.

I want to deal also with the issue of the impact on the economy, and our brief goes into considerable detail about that. The government's best estimates are that Bill 22 will reduce the \$600-million annual provincial deficit by some \$15 million, and even this, we would maintain, is an optimistic projection.

But the main point is that imposing Bill 22 on school boards, municipalities, Crown corporations and the entire broader public sector will not help to reduce the provincial deficit; \$15 million, I think you would agree, is a drop in the bucket in the bigger scheme of things.

Even that \$15 million, we think, is really questionable, because there are many, many areas where, if the level of service is going to be maintained, it is going to mean that school boards, hospitals and municipalities are going to have workers coming in at overtime pay if the same work and the same level of service is still going to be delivered to the people of this province.

As far as the impact on the economy, while \$15 million roughly, it is estimated, will be saved, and the deficit can be reduced accordingly, the reality is that because it affects the broader public sector as well that \$130 million will be taken out of the economy of the province of Manitoba.

Frankly, we do not think that that makes any sense, especially at a time when the province is trying to emerge from one of the deepest recessions that we have experienced in many, many years. I would put to you that public employees who are not well paid, who are not highly paid—it is well documented that it is people at the low- and the middle-income levels who, in fact, spend every penny of their pay cheque on goods and services, on mortgages, on their groceries and so on. That is money that will not be going into the economy and will have a very, very serious impact on the economy. So, for a very limited reduction in the deficit, in fact, we are doing much, much more harm to the economy of the province in general.

I also want to talk about the issue of alternatives, because we do think that the government has alternatives to this avenue. In our brief we go into considerable detail about budgetary options that were possible for the government, while still managing the deficit, budgetary alternatives that would have maintained services and provided some measure of the much needed stimulus to the Manitoba economy that is very, very much needed, particularly at this time.

A number of the issues that we deal with include a \$60-million retrofitting for energy efficiency programs, \$27.5-million community infrastructure program, \$30-million urban transportation fund and other measures.

I would also, though, like to deal with the issue of revenue, and we detail a number of areas where we think the government had very, very clear alternatives as far as increasing the revenue of the province, alternatives that frankly are a much fairer way to go. We firmly believe that people in this province are prepared to pay their fair share of taxes if we have a fair system of taxation.

In fact, there have been a number of measures over the last number of years that have moved our tax system in a regressive direction. We think it is really important that those be carefully examined

and that we see significant moves in the direction of progressive tax reform in this province.

There are a number of proposals that are outlined in our brief, for instance, collecting \$1.8 million in outstanding corporate taxes; collection of \$9 million in outstanding retail tax that is owed by business, collecting \$1.65 million of outstanding payroll taxes that are owed by companies, reinstating corporate and personal tax rates for high-income earners to their former levels which has frankly cost the provincial government, by our estimates, \$100 million, and I gather they are your estimates as well, \$100 million in lost revenue in the last five years.

We also think that, if the government is serious about cutting costs, they should be looking, for instance, at expenditures like the \$3.9 million that I gather is being spent on an American health care consultant studying the health care system in order to carry out major reform and restructuring. We would say very clearly, as a union that represents health care employees in this province and also 100,000 health care employees across this country, that health care workers are the ones who are in the best position to advise about how real restructuring and reform can happen in the health care system in a way that ensures that the principles of medicare are preserved, in a way that ensures that the delivery of quality of care is maintained, in a way that, yes, in the long run can save costs in the health care system.

I also want to touch briefly, and our brief does not go into this in a lot of detail, but I want to talk about some myths, some very pervasive myths in our society that unfortunately are being reinforced by actions taken by this government, certainly are being reinforced by the business community, and also unfortunately reinforced in the media almost every day, and that is that somehow public employees are the problem and public employees therefore should be the ones to pay for the problem, to pay for the recession, to pay for the economic crisis that we are living in.

We would like to say to you very clearly, and certainly your own statistics on this, I am sure, will bear that out, that the members of our union and other public employees in this province are not fat cats. On the contrary, the average wage of a CUPE member in this province is \$25,000 a year, not a hefty income, not a high-income earner.

Our members are prepared to do their fair share. They are prepared to work with employers and to work with governments to find solutions. They are not prepared to be singled out unfairly to carry a disproportionate share of the burden, and in fact they are being asked to do that as a result of these measures, and also as a result of the taxation measures of the last few years that disproportionately affect people at the middle and the low income end of the scale rather than dealing with people who genuinely can afford to pay. We believe in tax reform that is based on the ability to pay.

As far as the issue of sharing the pain, we hear a great deal these days about the fact that it is time for public employees to share the pain, as if public employees and public services are not already experiencing considerable pain.

I want to talk about the human face of this problem just for a minute. When I talk to social service workers, who are represented by my union in this province, they say to me that every day on the job they are asked to make unacceptable choices about which child is most at risk, because of unacceptably high workloads. That is pain. You do not have to have your wages cut, you do not have to be laid off to know what real pain is about in the delivery of public services in this province. We certainly have members all throughout the public service who have very unacceptably high workloads—

Mr. Chairperson: I just want to point out for questioners that you have five minutes left.

Ms. Darcy: I am almost finished. I would also ask you to speak to health care workers that we represent, for instance, people who work in nursing homes, some of whom are making well under \$25,000 a year, who will say to you that they were hired with patient care in mind and in fact it is budget care that they are now forced to make their first consideration and to hear the human stories about what it means not to be able to give that human touch to one of your patients by reading a letter from home from a family member when they barely have enough time to deal with the basic necessities about feeding and clothing and washing a patient. That is real pain. Our members know well what it is.

They are prepared to be part of the solution, but we say to you very clearly that public employees

are not the problem. They should be treated as part of the solution. You should be seeking long-term solutions to the province's economic and fiscal problems, and public employees will certainly be there to help to deliver the solutions. It is completely unfair, though, to target them as the problem and to make them scapegoats in dealing with the province's economic problems.

Mr. Chairperson: Thank you. There is approximately four minutes for questions.

Mr. Steve Ashton (Thompson): I want to commend you for the brief. I think it is very well detailed, very self-explanatory. I just want to focus on a couple of comments you made, though.

One thing I found particularly interesting was your relation of the fact that the average salary of CUPE members in Manitoba is \$25,000, because I really do think that that process of scapegoatism has taken place on this bill. Certainly, I have heard some of the comments. There seems to be a tendency on the part of the government to treat all public sector employees as being some mythically high-paid series of individuals.

* (1320)

I wonder what kind of work CUPE members do in Manitoba. I mean, \$25,000, in and of itself, tells the story, and I know that is the average. So you are talking about a lot of people considerably less than that. But what kind of positions are we talking about that people are being affected by this bill?

Ms. Darcy: Our members work throughout the public sector in the province of Manitoba. They work at Manitoba Hydro. They work in municipalities. They work in school boards. They work in libraries. They work in social service agencies. They work in child care, nursing homes, hospitals. We represent people in literally hundreds of different occupational groups.

Any of the people you speak to throughout our membership, if you come to one of our conferences or conventions, you hear them talk about the difficulty they are having making ends meet. We certainly have people who earn \$18,000, \$20,000, less than that a year, child care workers who are earning less than that who are having a great deal of difficulty making ends meet and who also know what it means to be on the front line of service delivery and to know what the impact of cuts is on their ability to provide the kind of care that they very much want to provide to the people of this province.

Mr. Ashton: I have taken that opportunity, and certainly we have had other committees, for example, on the wage freeze two years ago. I think CUPE members were quite vocal.

I want to ask a further question, too, because quite apart from the fact that people who are making \$18,000, \$20,000 a year are being hit by this bill, people making \$25,000, on fairly modest incomes, you mention about the fact that people are being hit. You mention Hydro. I mean, it was just an announcement of positions being cut, layoffs that dramatically hit CUPE. Once again, a lot of people are right now in fear for their jobs. I know many of your other members are in areas—the health care sector, for example, there is a lot of uncertainty right now.

I am wondering if you might want to respond to that because that seems to be another sort of myth that the Conservative government has been propagating, that somehow there is some level of job security. It used to be one of the myths anyway. I mean, they have taken care of that, certainly, within the civil service, but a lot of your members, I understand, are also being affected.

Ms. Darcy: I will ask Joan Sellor to talk about that.

Ms. Sellor: It certainly is a myth. What a few years ago was a safer occupation to work in than health care in any province, anywhere in the world basically? Health care was a basic, fundamental right that had to be met. Well, we are seeing our health care being just totally decimated in this province.

We have people who are not just—I mean, their dream is to make ends meet, quite frankly. I represent members in this province who are just happy if they can focus both ends in the same sight line. Making ends meet is something that most of my members would love to be able to do.

This is not the first time they had been hit. We are not talking about the reality of 10 or 15 extra days off a year. That makes me so angry when I hear that, because it is not 15 extra days off a year. The members in this House get a lot more respect from my members than we obviously get from them. It has been evident throughout these hearings.

It is not 15 extra days off. We are talking about over a period of two years my members could be hit with 6 weeks of wage losses. That is two or three mortgage payments. That is food. We are not

talking about money in the bank. We are not talking about investments. We are talking about living. So, yes, making ends meet is a dream. Money in the bank is a fallacy.

Mr. Chairperson: Thank you very much for your presentation, Ms. Sellor and Ms. Darcy. Your time has expired. Thank you very much for your presentation. I would like to call on the next—

Point of Order

Mr. Ashton: Just on a point of order, I am wondering if we might want to listen to some of the presenters. I do think there are, perhaps, a significant number of distractions at this table, conversations going back and forth. I do think when presenters come before the committee we should definitely listen to them.

Mr. Chairperson: Thank you very much for your—the member did not have a—[interjection] Order, please.

* * *

Mr. Chairperson: The next presenter from out of town who has made himself known is a Mr. Denis Fitzpatrick from Selkirk, No. 41 on our list. Did you have a written presentation, Mr. Fitzpatrick?

Mr. Denis Fitzpatrick (Private Citizen): I have handwritten notes that I am going to read from.

Mr. Chairperson: That is okay. You may proceed then.

Mr. Fitzpatrick: Mr. Chairperson, members of the committee, thank you for allowing me the opportunity to speak to you on this important subject. I stand before you both in opposition to the manner in which you have decided to implement your much ballyhooed deficit reduction methods and as an employee who has been greatly affected by the measures contemplated with the enactment of this legislation.

I also stand before you as a consumer of these services of which I have had to avail myself as well as my family. I currently work in the Department of Health in a rural diagnostic unit. For those of you who are unaware, we provide lab and imaging, X-ray and ultrasound services to the people of rural Manitoba. We work seven days a week, 365 days a year and until recently, we believed that we were an essential service.

We also provide emergency services for both lab and X-ray facilities on a 24-hour basis. The service

is provided on a call-back basis after regular working hours.

There have been many negative comments by our employer regarding the efficiency of civil servants in carrying out their duties. According, however, to data compiled by the government itself on the amount of work we perform, we are, indeed, an extremely efficient organization.

In respect of laboratory services we, in the last year data was compiled, ending March 31, 1993, performed 234,971 tests. Using the federal government's DBS unit system, which assigns a value of one minute's work based on the time allotted for each test, this translates into 888,477 minutes of work. Taking into consideration the seven day work, 365 days a year, this equals 77.02177 minutes work for each hour.

Using the same system for X-ray procedures, our department has processed 12,574 examinations resulting in 420,888 units, giving a workload of 290 minutes for each hour of work. Clearly, then, employees are not only performing work at a tremendous rate, they are overworked.

We are in the business of saving lives. This is not an exaggerated statement, nor is it an attempt to grandstand. It is simply a fact. The work we do is to diagnose illness, to enable physicians to treat patients both in a timely and appropriate fashion. In our work, we carry out a number of specialized procedures. These procedures are carried out by and large during regular working hours with a maximum of available staff.

Because of the complexity of the procedures, to perform them on a reduced staffing basis could place patients at an unacceptable risk. Some examples of the procedures are venograms, in which a dye is injected into veins with detailed X-ray pictures taken during and after the injection to determine whether an individual has a potentially life-threatening blood clot which needs attention; intravenous pyelograms which can detect kidney stones; and other contrast studies such as barium swallows or SNDs and barium enemas which can detect problems from ulcers to tumours.

In the area of laboratory services, there are numerous tests which we perform on a daily basis, such as therapeutic drug monitoring tests, which are critical to managing a patient's diagnosis and treatment. All of these tests are labour intensive and require sufficient staff to adequately perform

them. If done in a hurry because of inadequate staffing, the consequences could be devastating for the patients.

An example of a test which can be critical to patient management as well as fiscally responsive is a test called the CKMB. This test is designed to determine the amount of the MB band from an enzyme called CK. CK is an enzyme which is released upon damage to any muscle tissue. The MB band is specific to cardiac tissue and can make the determination for a physician as to whether a patient needs expensive treatment in our special care unit or whether another less expensive form of treatment is required. Because of the complexity and expense of running this sophisticated test procedure, we are restricted to performing it during regular working hours when there is optimal staff to cope with the regular procedures while this test is being run.

There is also the matter of bacterial culture tests which we perform. If a patient has an apparent bacterial infection such as eye, ear, skin or more virulent infections such as bacterial meningitis, the physician submits specimens for culture and identification. This is done primarily to ensure use of proper antibiotics when treating the patient, as well as to confirm diagnosis. If we are not at work, these procedures cannot be performed, and as a result, patient management could be placed at risk.

* (1330)

In the case of bacteriology specimens, we receive samples from outlying areas such as Pine Falls, Pinawa, Beausejour, Lac du Bonnet and Whitemouth. If we are not there to process these samples, inappropriate treatments, which could ultimately wind up costing more, could be implemented and correct treatment delayed.

In terms of ultrasonography, we take referrals from many other facilities, including Stonewall, Teulon, Gimli, Beausejour, Lac du Bonnet, Pine Falls, Pinawa and Whitemouth. We also take referrals from many north-end Winnipeg clinics. With the closure of the department, procedures which would have been performed will be postponed till some future date, such procedures as determining whether a patient has gallstones, an aneurysm or certain types of cancer. This may not seem important to you, however, when one considers that the expediency of the diagnosis can

sometimes determine whether treatment is successful, to me is paramount.

To put it bluntly, you are putting at risk the health of many Manitobans through your actions if you pass this bill. The very idea of saving money by closing our department will be counterproductive, as many of the cases will be passed on to other jurisdictions such as the Health Sciences Centre, Seven Oaks Hospital and St. Boniface Hospital. When one considers how overburdened these facilities already are and the financial burden of additional work which could have been processed in Selkirk, there would be absolutely no saving.

In fact, it may even cost more at these facilities than our rural one. When one considers that the funding for all health care facilities comes from the province, where then is the savings?

I find it interesting that private-for-profit laboratories and X-ray facilities have been left out of Bill 22. While we are closed, private labs are able to pick up our work on a fee-for-service basis at roughly three times our cost.

Three and one-half years ago, through careful negotiations, the private clinic lab in our town opted to refer their biochemistry tests to our facility rather than the private lab they were using in Winnipeg. This resulted in a net saving of about \$300,000 per year to the province. Your actions may indeed place these annual savings in jeopardy.

A private lab is able to bill the province \$24.65 for a multiple chemistry analysis on an automated analyzer. Our costs, including salaries, are less than \$6 for the same test or one-third the cost. The same applies for hematology tests, \$5.40 for a private lab or \$2.50 for ours.

How, then, can the minister assure me that he is going to save money by closing my facility? The majority of all the tests we perform are originated out of physicians' offices. I refer to the province's own statistics which indicate 65,899 tests originated from within our facility, and 169,112 tests came from outside or the doctor's offices.

What is the object, then, of this little exercise if it will save nothing? It seems to be a perverse public relations attempt by our employer to blame its employees for its current financial woes.

Whether the public buys this is moot, as they will surely pay for it in reduced services. There is one offshoot to this policy which the government has not counted on, and that is, the extremely low

morale of the civil servants with whom I work. We are no longer willing to do the little extras, stay at the work site when the going gets rough. Why should we? You will just slap us down anyway.

We have traditionally taken less in monetary rewards for our jobs for the security of the service. You are taking that away. I point to the fact that medical technologists are currently paid exactly the same as we were for after-hours callbacks as we were in 1981. How about your remuneration for after-hours work? Is it the same as in 1981? I think not.

You talk about sharing the burden. Well, mine is \$1,500 this year. How about you? Maybe if you return to 1981 levels, then we could talk. Otherwise, it is an insult to all of us. Nurses and attendants have also settled for less than their counterparts in other jurisdictions. Where is their security? Have you talked to anyone at the Brandon Mental Health facility lately?

In conclusion, it is my belief that the government will save nothing from this exercise. From my perspective, the program will cost in two areas, fiscally and in the health of Manitobans. I find it reprehensible that casino workers are considered essential, but health care workers are not.

If any one of you go out and gamble, have one too many drinks and is involved in a motor vehicle accident in rural Manitoba, do not look for me to help you on a Friday this summer, because I will not be at work. I hope you can live with that.

It is my belief that we should be exempt from this legislation. Thank you.

Mr. Chairperson: Thank you very much for your presentation, Mr. Fitzpatrick.

Hon. Clayton Manness (Minister of Finance): Mr. Chairperson, I would ask Mr. Fitzpatrick where he has heard that casino workers are exempt from this legislation.

Mr. Fitzpatrick: I believe they will be working on Fridays. I will not.

Mr. Manness: As a matter of fact, everybody working casinos or indeed almost every element of government will be expected to take Friday off. In some cases, there may be some Fridays that one part of the staff will work, and other Fridays, others will, but indeed, everybody will be expected to take off Fridays or a day equivalent.

Mr. Fitzpatrick: The facility of the casino will still remain open. Mine will not. That is the major difference.

Mr. Manness: Mr. Fitzpatrick, that is not what you said. They are not declared essential service, and that is what you said.

Mr. Fitzpatrick: I would assume that for any organization to remain open on a closure day, it must, therefore, logically be assumed that it is essential.

Judy Morris is the person who decreed that we should be closed on all the days. Her logic was that anybody that was closed on Good Friday is subject to the legislation.

Mr. Manness: Mr. Chairperson, Mr. Fitzpatrick said, and I do not know who he is referring to around this table, that we were taking more now than we were in '81. I ask him if he was aware that Cabinet ministers are now receiving an amount equivalent to what they received in '81 and less than they received in '79. Was he aware of that?

Mr. Fitzpatrick: Did you not get a raise two years ago of 9 percent?

Mr. Manness: As Cabinet ministers, no. There has not been a raise now for 14 years. Were you aware of that?

Mr. Fitzpatrick: I was not referring to cabinet ministers. I was referring to Members of the Legislative Assembly.

Mr. John Plohma (Dauphin): I understand your feelings with regard to an agency that remains open, whether it is short-staffed or whatever, if the function is still going on, it is deemed to be an essential service, where yours has been decreed to be nonessential in that it is going to be closed on those 10 days.

Is that correct? Are there 10 days involved in your situation?

Mr. Fitzpatrick: There are 10 days, seven throughout the summer and three between Christmas and New Year.

Mr. Plohma: Was there any effort made to have the service of the labs declared essential, because the government initially, and it seems to have been somewhat hollow words, seemed to have made some statements that there would, with the exception of essential services, that it would not apply to essential services, and yet we have seen

many cases come before this committee where, in fact, essential services are being shut down.

What efforts were made, what discussion took place on this?

Mr. Fitzpatrick: Beyond the level of my own department, I cannot comment, but I can say that the members of my department have made it well known to our supervisors, right up to and including the deputy minister, that we feel that we are an essential service and should have remained open.

Mr. Plohman: You received no sympathetic ear to that that you know of? There was no word came down that there would be some consideration of that?

Mr. Fitzpatrick: As of this date, no.

Mr. Plohman: You talked about the tremendous workload and the number of tests and the morale and so on. Is there a potential for an impact on accuracy here?

You talk about the work that you do as really saving lives. Based on that premise, is there a chance for error, that there will be greater pressure on staff to complete tests in a shorter period of time or is that just not physically possible and it will just go to the private labs?

Mr. Fitzpatrick: In terms of the margin of error, because we are now faced with three days of emergency coverage where one individual is required to be at work for three days on their own, where before there were six individuals working; that person is on call on a 24-hour basis for the three days.

They could conceivably go into work at eight o'clock on Friday morning and not emerge from the facility till five o'clock on Monday without any time off.

You can read for yourself the possibility of stress and the fact that without adequate rest the demands that can be placed on an individual to produce in an effective manner would be severely impaired.

* (1340)

Mr. Plohman: Just to understand that, they would be on call for three days in succession for emergency tests?

Mr. Fitzpatrick: Depending upon the unit in which they find themselves working, yes.

Mr. Plohman: Could you give an estimate of what you feel is the risk here in terms of errors occurring? Is it a real possibility or one that probably will in your estimation not occur?

Mr. Fitzpatrick: It is something that could occur. I am not entirely sure it would occur, but I personally could not stand to live with the possibility that I would make a mistake because I was too tired to work.

Mr. Plohman: You mentioned that some of the work will be transferred to hospitals, which comes out of the same pocket. Would that be the normal procedure, or would the work go to the private labs? Do you know?

Mr. Fitzpatrick: I am not entirely sure as to the capability of the private labs to pick up a good deal of the work in terms of ultrasonography. They do not have that many private ultrasonography facilities in Winnipeg.

Mr. Plohman: If transferred to the private labs, we are talking about triple the costs, or quadruple the costs. I notice you mentioned \$6, your costs, for a test versus \$24 billed. That is actually quadruple the cost. Is that a typical kind of comparison?

Mr. Fitzpatrick: On average, it works out to about three times. Some tests are double, some are three to four times.

Mr. Plohman: Would you say that there will be a large number of tests having to be transferred to other facilities because you will not physically be able to do those tests?

Mr. Fitzpatrick: On an average, 20 examinations a week will either be postponed or transferred to other facilities.

Mr. Chalrperson: Thank you very much for your presentation, Mr. Fitzpatrick.

I will now call on Mr. Chris Thain. Chris Thain. We have your presentation; you may begin, Mr. Thain.

Mr. Chris Thain (Private Citizen): First of all, as a former teacher of English, I wish to apologize for a few inked corrections that are on the copy that is being presented to you.

I was here late last night ready to go at midnight with a copy that was clean, and of course this morning I could not leave well enough alone, made some changes, and of course the gremlins crept into it. However, I probably will not stick with exactly what it is in front of you anyway.

I have not been here to hear all of the presentations that have been made to this committee, but I know that I share with many presenters a concern regarding the damage that the implementation of Bill 22 would do to the concept and the conduct of free collective bargaining between employees and employers.

However, I wish to look at the provisions of Bill 22 and some of the attitudes that surround its implementation from the perspective of a retired teacher. I am sure that it has been said time and again in various ways that the use of the power of the Legislature to overturn the results of free collective bargaining wipes out decades of progress and labour-management relationships and returns it to what is a relationship we assumed was, at least in this country, long discredited and long gone.

Since before my time, at least my time as a teacher, teachers in Manitoba have been in a fairly unique situation in which in exchange for the right to collective bargaining with binding arbitration for final impasse resolution, teachers have relinquished the right to strike or take strike-related action. Under this system, I completed an entire career as a classroom teacher, secure in the knowledge that while I did not have the right to withdraw my services in support of that which I might have considered to be reasonable working conditions and remuneration, there was a process which allowed for an arbitrated settlement of differences which both I and my employer would accept, a process not just binding on the school boards as some seem to suggest, but binding on both parties.

On many occasions I chafed that negotiations and final arbitration did not achieve items that I felt were important to the well-being of all teachers, but not being a senator, I accepted this as part of the reasonable process that allowed me to pursue my entire teaching career without ever becoming involved in the kind of job action in which many of my neighbours, and in fact even my wife, found it necessary to become involved as they fought bitter fights with their employers to resolve an impasse at negotiations, job action that included walking the picket line.

Consequently, I am one of a generation of teachers that took pride in the fact that we could fight hard for what we saw as reasonable in negotiation, but at the same time, get on with our

job, because we knew that in the end, there would be a binding settlement. It might not and frequently was not a settlement that we particularly liked, but we knew that we and the employer would win some and lose some and that when all was said and done, we would be treated with a reasonable degree of fairness. Now, suddenly this government has proposed Bill 22, which will override the right of employees to collectively bargain with their employers, override the binding arbitration aspect of teachers' negotiations and essentially dictate salaries.

Quite apart from the damaging consequences that can result from interfering with collective bargaining, in the application of Bill 22 to teachers, representatives of the government have made two suggestions which I consider to be particularly offensive. The suggestion has been made that by not taking into account the ability to pay, collective bargaining and, particularly, binding arbitration has somehow worked to the incredible benefit of teachers and to the detriment of taxpayers in Manitoba. This is a neat jingoistic catch phrase which may be accepted by members of the general public who are unaware of the facts or, for that matter, members of the government who are unaware of the facts, but it does not stand up to scrutiny.

For example, let me show you what has happened over the past decade for teachers who are on pension compared to those who are still working. I am well aware of all the intricacies in the calculation of pensions, but in order to provide straightforward, comparable figures, I will work with a maximum Class 5 salary, as a maximum Class 5 salary approximates the five-year average salary for a teacher of maximum Class 6, my classification as a teacher. I will ignore the problem of pre-imposed 1980 calculations and assume all calculations are post-1980 level, as is common for many teachers.

To avoid all the problems involving Canada Pension Plan and Old Age Security, I will take a 1.4 percent pension as opposed to the 2 percent generally accepted per year. While the .6 percent is lost up to the maximum of CPP earnings for years after 1966, By applying it across the board, I arrive at the most conservative, small c, figure and cannot be accused of inflating the numbers.

In 1983, 10 years before my retirement in '92, the maximum Class 5 salary in Fort Garry School

Division was \$35,238. With 35 years of service at 1.6 percent per year, I mean, that is 1.4 percent, a teacher retiring that year would receive a basic pension of 1.4 times 35, or 49 percent of that \$35,238, which is \$17,266.62.

This basic pension would have received yearly increases based on inflation and the retirement fund's ability to pay. It would have, in fact, increased in the following 10 years until they would have been receiving \$27,024.95 in '92. The figures are all there. The adjustment figures I got from TRAF. They are TRAF's figures for the amounts that pensions were adjusted over those 10 years.

When I retired in '92, a teacher in the same position, 35 years of service, using the same calculation, received 49 percent of \$52,238, maximum Class 5 in Fort Garry School Division in '92, or \$25,597. In other words, completing a teaching career in 1992 instead of 1982 cost an individual \$1,427.84 a year for the rest of their life. Remember also, this is the most conservative figure. To go to the highest possible figure results in a difference of over \$2,000—\$2,039 and change to be exact.

This fact shows the error in two statements that are being made regarding teachers' salaries and the negotiation process. It is obvious that those 10 years of collective bargaining with binding arbitration have not reaped incredible benefits for teachers. Negotiated and arbitrated increases, in fact, have not kept pace with very basic pension benefits.

* (1350)

This has been very, very quick and I admit incomplete research, but to the best of my knowledge, in the last 10 years in fact, of all the arbitrations, only one arbitration could have been deemed to have set the monetary standards. The rest just followed what had already been achieved in collective bargaining in other divisions.

Secondly, I have heard the comment, the time has come for teachers to share the pain. I point out again the discrepancy between the pension of those who retired some time ago and those retiring now to point out that teachers have been sharing the pain and will continue to do so all their lives. I will share the pain to the tune of approximately \$1,500 a year for as long as I live.

In fact, the implementation of Bill 22 would increase this lifetime education tax being imposed

on teachers as it will not only further reduce their pensionable incomes, but by also reducing their pensionable time for each year in the classroom, unless there has been some very recent change which I am not aware of, it has been ruled that while schools would be able to count as school days the days they are closed under Bill 22, teachers will not be able to count the days they are locked out as pensionable days, a very interesting double standard. This obviously not only reduces pensions but has a scattering effect in which teachers will, in fact, have different pensionable service depending not on the number of years they have actually taught, but on the school division in which they taught.

In summary, Bill 22 attacks a fundamental right to free collective bargaining, and in its implementation for teachers, uses as justification arguments that just do not hold water. The fundamental argument, the province cannot afford to pay, has been dealt with adequately by many others who have pointed out that while we all accept that government does not have unlimited funds, the basic question is, what will be done with the existing tax dollars? Do you spend it on health and education for Manitobans or return it to business in the form of various tax breaks?

If passed into law, Bill 22 will set employee-employer relationships back by decades and, in the case of teachers, may well prevent the present generation of teachers, not to mention students, parents and the general public, from enjoying the freedom from teacher job action that Manitobans have enjoyed for many years.

With the implementation of Bill 22 goes the safety net of binding arbitration, and with it, I assume, must also go the ban on collective job action, as that ban was bought with a legislative assurance of collective bargaining with binding arbitration. Any short-term financial gains that may be made at the expense of teachers and other public employees by implementing Bill 22 will pale in comparison to the problems it will create in the years to come.

A few years ago, as a local teachers association president, I was discussing the dramatically increasing workload and areas of responsibility of teachers, including additional classes, additional class size, integration of special needs students without adequate support, demands to perform medical procedures and all of the myriad problems caused by dramatically changing society. At that

time, it was only a few years ago, I said that if suddenly I had the right and the reason to call a strike, I would be on the picket line all by myself with everyone else carrying on in the classroom, as the idea of job action was an anathema to most teachers.

I can assure you that if the present president had to call a strike, the vast majority of the teachers would now be with him on the picket lines. That is the change that has occurred in the few short years as teachers see themselves being attacked from all sides.

Some time ago the B.C. government thought the teachers were a pretty quiet bunch. They might grumble but not get too upset at government action against them. The result is that they now deal with one of the most aggressive and militant teacher labour unions in the country, or is this what the government wants? Is the purpose to force a strike situation in which far more money can be saved at horrendous expense to education? Teachers have become cynical enough to ask that sort of question.

I ask this government not to force that type of situation in Manitoba for no good reason, not just for the sake of teachers, but for the sake of students, the public and education in general. Free collective bargaining with binding arbitration has served everyone well for years in this province. It has served everyone well, teachers, their students, the school boards, government, taxpayers. To tinker with it is to tinker with that which is not broken, with long-term drastic consequences for all concerned.

Mr. Chairperson: I thank you for your presentation, Mr. Thain.

Mr. Reg Alcock (Osborne): Thank you, Mr. Thain. I am particularly interested in the calculations you provided us on the effects of collective bargaining with arbitration, because one of the statements that has come across the table during these hearings has been that the awards assigned by arbitrators over the last 10 years were simply out of control, and there was no ability to responsibly manage the public funds, in that with the implication that teachers were making off like bandits. I think what you have established in this is that it has not been the case.

I am also interested, though—there was a comment, and I have just sent for the Hansard so I can share it directly with you, that the net effect on

pensions as a result of Bill 22 for the most severely impacted teacher will be in the order of \$4 per month.

Mr. Thain: If the implementation of Bill 22 exists for two years and if the maximum 10 days was taken—even with the maximum 10 days—I do not know whether it is \$4. It is not a horrendous amount. The question remains, it is an amount, and the question remains, what happens after two years? At the end of two years, do things revert back? Is it going to be extended? Is it going to be increased? Will it be seen as a good thing which now we will make 10 days 15 days? When you are on pension, every dollar counts, and it may be a small amount, but it is an amount.

Mr. Alcock: One of the principles of the government's position on this was that they were equally sharing the pain, and any amount violates that principle. Certainly, teachers who are in the final years of teaching are going to pay more as a result of Bill 22 or lose more as a result of Bill 22, and you had another dimension here that that will also vary division to division. But I am just interested in this comment you make about the school is able to count the days and teachers will not be able to count the days as pensionable days. What would it take to change that? What would be the effect of allowing teachers to count them as pensionable days? Do you have any sense?

Mr. Thain: My understanding is that it would just take the Minister of Education (Mrs. Vodrey) to approve it, as she approved the schools counting the days as school days.

The policy in the past with TRAF, if a teacher took a leave of absence without pay, as some teachers do for various reasons, it was technically not pensionable time, but if you took one day, the calculations are so complex that it would not be worth it for one day. So TRAF sort of drew a line somewhere around three to four days and said, under this we are not going to worry about it. Over that, you start taking four or five, six days or more of unpaid leave, yes, it is going to be calculated.

Now they are faced with a problem where many teachers, not just a handful of teachers in the course of the year, but many teachers will be taking three, four, five or six days. They are going to have to decide and, I gather, have not yet really decided whether they are going to still draw a line somewhere in there, which will be again a little

discriminatory, or whether work the calculation, whether if even a division took two days and locked out their teachers, but definitely they have always done it starting around four days leave without pay and will certainly do so for those divisions that take that or more days.

* (1400)

Mr. Plohman: It is a very interesting paper with an interesting analogy with pensions and salaries not keeping pace with pensions that are indexed to prove the point that teachers have not received wages at inflation. I am sure you must realize the futility of that argument, because clearly it is a matter of fact in historical record that inflation has been higher than arbitrary awards over the last number of years for teachers, but that is not good enough for this government. It is clear that they feel that increases even lower than inflation are still too high, and they want an absolute cut.

So you realize that your point is very well made here today, but it is a futile argument because the government is fully aware, I think, and the Minister of Finance can speak for himself, that inflation has been much higher than arbitrary awards. Are you aware of how much that has varied over the last number of years?

Mr. Thain: Very much so. Of course, I do not think the pension adjustments have met the full cost of living either. They have been below the cost of living, and teachers' salaries have been below that.

In 1992, I decided to retire a couple of years prior to maximum pension because it became obvious that, with an earlier retirement benefit that Fort Garry was offering at the time, I would be far better off on pension than I was on salary.

Mr. Plohman: One other point, you mention about going out on strike, and how you would have had to have done it alone, and how things have changed. Would you say that the government has awoken a sleeping giant much to their peril?

Mr. Thain: Very much so.

Mr. Doug Martindale (Burrows): Mr. Thain, you said that you thought the government should make a choice between spending money on health and education or business in the form of various tax breaks.

I am wondering if you are aware of some of the uncollected revenue of the Minister of Finance:

\$1.8 million owed by corporations, \$1.65 million owed by companies on payroll tax, \$9 million in retail sales tax revenue. I would point out the sales tax revenue is money paid by consumers that the businesses have not remitted. Do you think the minister should collect these revenues first before he goes after teachers and other public sector employees?

Mr. Thain: It goes without saying that we expect these monies to be collected. The comment that these companies are broke—I can be very broke too, but I have to pay my taxes when the time comes. The government does not accept the excuse that I am broke. [applause]

Mr. Chalrperson: Thank you very much for your presentation, Mr. Thain. At this time I would like to remind the audience that participation is not tolerated in the presentations.

I will now call upon Miss Janice Wart. Janice Wart.

I will then call upon Linda Geary. Did you have a written presentation, Ms. Geary? No. That is okay. Then you may start with your written notes.

Mr. Plohman: The previous presenter, who is not here, has a written brief. Is that accepted as part of the record?

Mr. Chalrperson: Yes, it is.

Ms. Linda Geary (Private Citizen): We have recently received our notice to enter discussions about the implementation of Bill 22, and while there has been lots of discussion about fair and doing our fair share, the bill is not fair to the people I work with, and it is not fair to the public we serve.

This bill will have a serious and detrimental effect on our workplace. I know everybody here carries different images about what a workplace looks like and especially about what a public sector workplace looks like, but I am here to talk about one workplace and that is my workplace, and my workplace is called a home.

I work in a nonprofit personal care home in the north end of Winnipeg and it is a home to 140 senior citizens. For the seniors living there, there are no other alternatives for where they can live. They will not get well. They will not move away. They are at the end of their life cycle. They require 24 hours nursing care, and they will live there until they die.

They deserve to have a facility that is a home in the truest sense of the word, and we cannot start turning it into a warehouse for the elderly. The people I work with are called support staff. We work as activity workers, as housekeepers, we work in maintenance, as dietary aides or as nursing aides.

These are not glamorous, high status, high paying positions, but for anybody who has any contact with the frail elderly, you must know that the common denominator is that the people that work there and work in this type of environment every day have to be caring, because if you do not care, you just cannot take it.

You cannot work every day with confused residents who are suffering from Alzheimers or some form of dementia, who do not remember who we are day after day, who need the extra time for directions. They need patience, because they do not know where they are or why they are there, or sometimes even who they are.

You cannot work every day with aggressive residents who punch us and kick and spit and pull out hair and scream and throw things at us without understanding and caring that a lot of times they are lashing out because of frustration and fear. You cannot work every day looking after those whose bodies just do not work anymore, from strokes, or from disease or from just plain old age. You have to take the time to help a 102-year-old resident. You have to change their diapers in the morning. You have to help dress them, and you have to help them out of bed, and you have to feed them. You have to do it with caring, because this is their home and they deserve the best, and I believe that our staff really cares.

I would like to talk about the support staff, and I would like to talk about the extremely low wages we receive. I would like to talk about the lack of full-time work with the continual cutbacks in hours as funding has been decreased. I would like to talk about the impact of Bill 70 and how we have not had an increase in wages since April of 1990. I would like to talk about the major changes and rumours around health reform that are currently taking place and the uncertainty and the anxiety that it is producing at our workplace.

However, while I would like to talk about those things, it is because of Bill 22 that I am here, and it is the final insult and the breaking point for us. The

initial and the immediate reaction in my facility was, is this government absolutely gone crazy? How can they possibly do this? How can it possibly be implemented? As it is right now, when somebody is not at work, someone else has to be called in to cover that shift, and that is 24 hours a day, 365 days a year. It is this government who sets the standards for care. It is this government that has reduced the funding, and it is this government who says, find ways to make do with less. Then on top of all of this, you now ask for 10 days from every employee.

Well, we cannot do with any less. We cannot leave buckets of dirty laundry and diapers in the basement because there is no one there to wash them. We cannot say to people, I am sorry, it is the early cook's day off so there will be no breakfast this morning. We cannot say that we are short of nurses' aides because they are away on a one-day leave of absence, so something must be left undone. What can we possibly not do? Maybe we do not get people dressed in the morning. Maybe we do not spend time helping them to the chapel. Maybe we do not bathe people as often. Maybe we do not help them to the toilet as often. I cannot imagine what we can possibly do without. We cannot make people hurry. Perhaps if we all stopped caring, it would be easy, but the people I work with do care.

It is Bill 22 that makes us question how much this government cares about the lives of the seniors and their rights to be treated with dignity and respect. Bill 22 cannot possibly be implemented without having a disastrous impact on the residents and the families of those in our home. We are one facility, and I know there are many others in the province in similar circumstances. I believe this government has a moral obligation not to pass Bill 22 and to maintain a quality of life for our seniors.

Mr. Chalrperson: Thank you very much for your presentation, Ms. Geary.

Mr. Alcock: Yes, thank you, Ms. Geary. Can you just clarify a couple of things for me? You work for a private, not-for-profit care home?

Ms. Geary: I work for a not-for-profit personal care home.

Mr. Alcock: When I say private, I mean nongovernment. You are not a member of MGEU or something like that?

Ms. Geary: Well, you have asked a couple of questions there. I am a member of the Manitoba Government Employees' Union, but the home is owned by the United Church.

* (1410)

Mr. Alcock: I am just trying to sort out how it is that you fall under Bill 22. Presumably, the government has made a decision about the funding of your facility in the per diem rate that is being paid, unless it is one that has a relationship with government that I am not familiar with. You said in your opening remarks that they have just come to you with the intent of having a discussion about how Bill 22—can you enlarge upon that? I am trying to—

Ms. Geary: Our funding comes through the province, and we received our notice two weeks ago to enter discussions about how to implement Bill 22. We were one of the first personal care homes to receive this.

Mr. Alcock: Perhaps I am the one that is completely confused on this, but I had understood that per diem funded units had their funding reduced as a result of the per diem rate that is paid and not within their employee salaries. Is that— [interjection] Okay, the Finance minister says from his seat that maybe the employer wanted to talk. So your employer is approaching you using Bill 22 as the first step, had they any discussions with you about the funding that has been made available from the government or the impact of this?

Ms. Geary: As far as I understand, there was supposed to be a meeting last week, on June 22, for the administrators of personal care homes to receive their budgets for the year, and that meeting has been postponed. So there is no funding—they do not know what they are operating under. They know they have to reduce 20 percent from administration, but they do not have their budgets yet.

Mr. Plohman: I can hear, Ms. Geary, the emotion in your voice when you talk about this. It obviously cuts deep with you and your co-workers, and that has brought you here. I thank you for coming and telling your story. How many employees are affected at your facility?

Ms. Geary: There are approximately 130 support staff, and of those 130, close to 92 percent are female workers.

Mr. Plohman: And each of these 130 workers are being told they must take 10 days off. Is that correct, or what is it?

Ms. Geary: We have received the notice, but we have no idea how they can possibly implement it. So there has been no discussion so far.

Mr. Plohman: In your mind, though, if everyone had to do it, there would be no savings because replacement workers would have to be brought in to do the work. There is just no way to get by without it. Is that what you are saying?

Ms. Geary: Absolutely. Any time somebody is away as it is, staff coverage is brought in. There cannot possibly be a savings.

Mr. Plohman: So, clearly, this kind of a facility, a personal care home, should be designated as an essential service then, should it not?

Ms. Geary: It is absolutely essential. How can you say to somebody we are not coming in today? How can you look after somebody? There is nowhere to cut. There is nothing left.

Mr. Plohman: The Minister of Finance is mumbling something about he is not the employer and that it is up to the employer. How do you understand this, and I guess this follows in what Mr. Alcock was questioning. What choice does your employer have?

Ms. Geary: I think our employers, although I am not here to speak for them, are struggling. First of all, they do not know what their budgets are. They have already been told that they have to cut. They have already been told that Bill 22 may impact. How are they going to do this? Where is the money coming from? We are already working at less money than we did before.

Mr. Plohman: She is being put in a squeeze that, or the United Church in this particular case operating this, has been put in a squeeze by government cutbacks on administration, per diems and so on and, they are now implementing a government policy that is civil-service-wide really. They are looking at this option. Is that how you see it?

Ms. Geary: Yes. I think they are in a squeeze, and part of the other area of the squeeze that I have not talked about is the increase in per diem rates for the seniors. Not only are they on the one hand going to be lacking some of the levels of care, but the talk of having a per diem increase based on

income that was supposed to be put in July 1 and, I understand, has been postponed, it is another nightmare of administration.

How can you implement it when you are cutting back your staff? I mean, they do not even have the staff to do the work for that type of job. It is beyond me.

Mr. Plohman: Well, thank you for bringing this to us, because I think we see the scope of this legislation and how its ripple effect is into more services than we even anticipated. I do not know if it was more than the government anticipated, but certainly more than what we had thought initially. Thank you for coming with your views today.

Ms. Geary: I would also like to just briefly talk about the wages in our facility. I am here in sort of a privileged type of a situation. There are only three people that earn more than me in support staff. Everybody else earns less. I work full time. My take-home pay was \$671 last pay period, and there are only three people who earn pennies more than I do, so for the rest of the employees who are working less than full-time hours, that are working at less pay, it is incomprehensible to me that this could possibly be instituted or implemented without the most disastrous effects on personal lives as well.

Mr. Plohman: Would you suggest then that the government should consider, if they are going to go ahead with this legislation, that there be a minimum wage cutoff where it would not apply? What would you think would be a reasonable level, not that you agree with the legislation or the principle of it or anything like that? So I am not asking you, and I am not assuming that you agree on that premise that you would answer, but others—Ontario is talking about a \$30,000 minimum.

Ms. Geary: It has to—

An Honourable Member: You are way below \$30,000.

Ms. Geary: I am way below \$30,000. I made \$23,000 dollars last year. I worked full time. The poverty line is a basic minimum. I represent people in my facility that are single parents and the primary wage earners that have two or three children, and they are doing it on not a decent living wage.

Mr. Plohman: I agree with you; I think this is an absolute disgrace.

Mr. Chairperson: Thank you very much for your presentation, Ms. Geary. [interjection]

Again, I will have to ask the participants in the public, for the dignity and the decorum, participation is not tolerated. I have said it twice now.

Mr. Plohman: They are not interfering in the process of the presentations. What they are doing is simply giving people encouragement once they have completed their presentations. That seems quite different. They are not involving themselves in the course of the presentation, and I think that that is outside of the rules.

Mr. Chairperson: I will point out to the member that the rules of committee are the same as rules in the Chamber, and the rules of the Speaker prevail, and the rules of the House pertain to the rules of the committee. So I will ask the public to be aware of that.

I will now call upon Mr. Bill Hales.

* (1420)

Mr. Bill Hales (Private Citizen): Thank you, Mr. Chairperson. Good afternoon.

Mr. Chairperson: Just for a moment of clarification, it has been pointed out to me that there was a representation made yesterday by the Telecommunications Employees Association of Manitoba (TEAM) by Ms. Gaynor Powell, I believe her name was. At that time she was representing the union. It is my assumption at this time that you are making presentation as a private citizen and not as a representation of the TEAM.

Mr. Hales: It suits me.

Mr. Chairperson: Is this your position, Mr. Hales?

Mr. Hales: That is fine, yes. If that is a problem with the—

Mr. Chairperson: Okay, no, just for a point of clarification—

Mr. Hales: I am the business manager for the union.

Mr. Chairperson: That is fine. You may begin, Mr. Hales.

Mr. Hales: Thank you, again, Mr. Chairperson. Good afternoon.

I am here on behalf of myself, that being the case, and in my capacity I am the business manager of the union of the management people at Manitoba Telephone System.

We at MTS are concerned regarding the proposed Bill 22, which covers a mandated 10 days without pay for government departments and Crown corporations.

Five thousand employees of Manitoba Telephone System are concerned that the imposed reduction of 50,000 working days resulting from this bill will seriously impair our ability to service our customers. While we will be on forced leave without pay, our competition will be at work accessing our customers. Moreover, we at MTS are concerned that the provincial government will, if this legislation of work reduction, salary rollbacks is passed, impose it again next year.

The legislation is written to give latitude for similar imposition of up to 15 days of salary rollbacks and reduction to Crown and public sector employees in 1994. This proposed bill surpasses previous legislated disregard for the collective bargaining process and is by far the worst antilabour legislation imposed by any government in Canada and possibly the free world in 70 years. Am I distracting you people? Oh, okay, thank you.

As you have heard so often during these hearings, MTS is a nonfunded Crown corporation and has embarked on a continuous quality improvement process to ensure our market share is maintained and our customer service requests are met and enhanced. This 10-day shutdown is a contradiction to that quality initiative the corporation and this government, as I understand it, is promoting.

(Mr. Jack Penner, Acting Chairperson, in the Chair)

This shutdown will put our customers on fast forward to Unitel, one of our competitors. Unitel is but one of the companies the government is mandating MTS to provide access to our networks. MTS employees welcome the challenge of competition. However, every time we meet a challenge, the government of this province or the federal government drives us back three steps.

While forcing us to provide competitors full access to our network with MTS having to shoulder the initial 70 percent of the cost immediately, and the connecting competitor having 10 years to compensate back 30 percent of the connection costs, we are mandated to provide them yet another marketing edge by having to close our doors for 10 days this year.

MTS is constantly being encumbered by this government's interference in our business at a great cost to the corporation which is rendering the company less viable. This company could be profitable for Manitoba if we were only allowed a level playing field on which to operate.

If the government continues to force us to reduce workdays and subsequently reduce customer service, while demanding MTS gold plate its service provincially, MTS's business viability will be seriously impaired. The irony of this event is that the gold plating I refer to is our individual line service, our ILS program and the digitalization of our network switching throughout Manitoba, which has been mandated by this government at a cost of \$775 million to the corporation. This program will be completed by the end of 1996. Meanwhile, we are denied the right to charge a fair price for these services by the government-controlled Public Utilities Board.

I might add here that the residents of Saskatchewan, for the same residential service, would pay \$3 more per month, which is 25 percent more than we charge our customers, again, as a result of the Public Utilities Board. Saskatchewan, by the way, is going after another rate increase, much larger than the one we are looking for. Again, I believe that has been mandated.

To refocus, if MTS fails to remain a viable entity, it is not unlike a government to sell what is left. Historically, when a Crown corporation is a losing proposition, the government has little opposition when it decides to sell.

If this proposed legislation has not been orchestrated to worsen MTS's ability to compete in the telecommunications market, then the ministers responsible for this legislation and the Minister responsible for MTS (Mr. Findlay) should take a good look at the impairment on MTS, in forcing a 3.8 percent reduction in operating time in 1993 and possibly again in 1994.

It is this presenter's position that when this proposed legislation comes before the House, it must be defeated. All Manitobans realize that governments must take control of spending. To reduce the workday for all Crown and government agencies will cut services, not increase efficiency. It will reduce taxes paid by government and Crown employees and private sector taxpayers as well.

It will take several million dollars out of circulation that have been the monies that the private sector reaps from the public sector employees' spending. This money will not be there if this legislation passes. All will suffer from the far-reaching implications of Bill 22.

Our association agrees that government spending must be controlled, but we should ask the government to review very carefully the impact of proceeding with this legislation. Where else has the government demonstrated cost restraints? It has been identified that, while these cost restraints are being considered, the legislators of this province are entertaining increasing their own pensions, pensions which are already far richer than most others in the province, as they are payable upon retirement of the member of the Legislature after short terms in office and with no age limitation. There is no consistency nor fairness to this action. Bill 22 was initially introduced as not to have a permanent impact on public sector employees, yet our pensions shall be reduced as a result.

This presenter would suggest it is time the government stop taking out their financial woes on the backs of the civil service and Crown employees and shift some of the responsibility to the private sector, and to look at methods and processes to cut costs without decreasing services that impact negatively on necessary public services and on the long-term viability of provincial Crown corporations.

The negative effects of this legislation are far-reaching. While Crown and government employees are willing to do their share, the burden of this should not be shouldered by them alone. Bill 22 is not the answer. I thank you very much.

The Acting Chairperson (Mr. Penner): Thank you, Mr. Hales.

Mr. Manness: Mr. Hales, are you aware that the three parties represented in the Legislature voluntarily decided to take a wage reduction?

Mr. Hales: Yes.

Mr. Manness: What prevented your organization from voluntarily—because of all the things that you talk about in your report, what prevented you voluntarily to renegotiate an agreement and voluntarily take a reduction in salary so that you could continue to work and maintain an element of competitiveness?

Mr. Hales: I am missing your point, but we were not really asked, nor was it—we just finished resolving a contract which we had negotiated very hard for for several months with the full understanding the corporation was in control of its financial affairs and probably had the right, as we would have suspected, to negotiate the 3 percent, little as it was, because we are \$7,000 behind our competitors across the country.

Mr. Manness: But, sir, you know that the corporation is not in control of its financial affairs, and without my signature, and indeed my predecessor, the Minister of Finance before me, they could not borrow a dollar. So they are not in control of their financial affairs. You must know that.

Mr. Hales: Okay, if it was not for the fact that we are meeting government mandates, which we are very proud of the service we provide, but I think being told that you will provide a service that is going to cost \$775 million, and then being told that you cannot reap a 5 percent increase in benefit in rates to pay for it, business will not be in business long. It is not surprising that we are in financial difficulty.

Mr. Manness: Mr. Acting Chairperson, I mean, the whole world is concentrating on their cost side of doing business. Again I ask, in spite of the fact that you had a new agreement, what prevented the association from voluntarily reducing the agreement that had been worked toward and allowing the keeping of the plant open on Fridays? Is there anything in this bill that prevented that?

* (1430)

Mr. Hales: I am not really quite sure what you are getting at, sir. We negotiated the contract before this, of course, was anywhere near the table, and we did not get anywhere near what we came to negotiate. There are several benefits other Crowns in this province have and had for a long time, and we are constantly told that we will take what everybody else gets. Well, we got organized in 1986 because we were not getting anything, and one of the previous governments, not yours, were not terribly benevolent either with us.

That is what brings us here today, because all we are trying to get is a fair shake and be able to operate our business. Shutting our business down for 10 days is just another blow to our ability to service the customers and maintain a business.

Mr. Manness: Mr. Acting Chairperson, right today, as I have said to others, if your association voluntarily were prepared to take a reduction, even through negotiating the contract, there is nothing in this bill that would prevent, even at this late stage, the requirement that MTS would not need to close for those 10 days. In other words, they could remain open for those 10 days.

Mr. Hales: If the minister was interested, we offered several considerations which would have probably prevented that, but we were not about to go back to our members hat in hand saying, hey, have we ever got a good deal for you, boys and girls. We are going to take a 3.8 percent cut and we are going to do it benevolently.

Many of the people that I represent, like Ms. Powell who was here last night, works many, many hours overtime without compensation. She is a concerned employee as most people that, I think, work for the company are. They are trying to keep it viable, but they are becoming very frustrated with the encumbering political things that are going on with this.

We do not know where we are going, because there is not much direction from the top.

Mr. Plohman: Just to follow up on that, would you say that it is accurate to say that the government has not created a climate of respect in collective bargaining and trust and perhaps has not even communicated a desire to negotiate these kinds of things prior to introducing this legislation? Would that be accurate?

Mr. Hales: Very accurate. As I have said, it is the worst legislation I have ever seen.

Mr. Plohman: Mr. Acting Chairperson, I am talking about the option of negotiations. The Minister of Finance is saying, you know, you could have come forward and offered to take a cut and we would not have had to do this type of thing. Was that ever put forward in a negotiating strategy of mutual respect? Was that ever put forward to you?

Mr. Hales: By the employer?

Mr. Plohman: Yes.

Mr. Hales: No, it was not, sir.

The Acting Chairperson (Mr. Penner): Mr. Minister.

Mr. Plohman: I am not finished. Mr. Acting Chairperson, I wanted to ask the presenter a

couple of questions. Do you see an impact on productivity, therefore impacting on the viability of the telephone system because of the low morale caused by this bill and others in the past?

Mr. Hales: I would be unfair if I said otherwise. The morale at the system is down. We are struggling trying to remain viable and remain motivated.

Mr. Plohman: One of the things I found interesting is about not being able to pass on any of the costs for improved service. Is it your feeling that the government wants the political benefits of ILS and large area calling, but not the liability of the higher rates that should go along with that?

Mr. Hales: It has occurred to me.

Mr. Plohman: The question about essential services, Mr. Acting Chairperson, is anything designated as an essential service under MTS at the current time under this bill?

Mr. Hales: The discussions we had clearly had indicated that we had agreed, further to the minister's question, to keep the business open for essential services. As much as we were not really asked, we said it would be appropriate. In fact, we were intending to do better. However, the agreement we ended up agreeing with if this legislation goes forward, is a mockery because it is happening not as it has been agreed to. If I had more time, which I will have next week, I will be challenging the people that run the system on that.

Mr. Plohman: Can you just quickly give us an idea of what is deemed to be essential? Is it operators, or is it maintenance, or what kinds of things?

Mr. Hales: The original presentation was that it would be conducted similar to vacation, which we were quite willing to go with. At the end of the day it was presented that we would shut everything down except essential services, as you are calling it, which are not really essential services, things that would be normally open on Christmas Day and New Year's Day holiday where 99 percent of the employees are off. But that is not quite the way it is happening.

Mr. Plohman: Would those employees who are providing that service be the same ones that normally provide the service, or would they be part-time replacement workers to fit in so that essentially all workers will get the cut of 3.8 percent?

Mr. Hales: As I represent management, in fairness, I am not exactly sure how the part-time situation is working. It is either people that I represent mostly being full time—they are either working or off right now on those days.

Mr. Plohman: What I am asking, though, is those full-time people are going to be required, all of them, to take 10 days off, if that is correct.

Mr. Hales: That is correct.

Mr. Plohman: They will have to be replaced in order for this service to be maintained by someone else during that period of time that they are off. Is that correct?

Mr. Hales: What is happening is, I believe the authors of the document have changed feet, and they are now having minimum staff on in various locations, so there is a perception of the public that we are still open. That is how it is being conducted. It is contrary to the agreement we have, but this is the kind of thing we are getting used to these days.

Mr. Plohman: Would you say then that this is an attempt to find savings on all nonessential services on the part of government, or is this an attempt to reduce wages of every employee by 3.8 percent?

Mr. Hales: I would agree with the latter. Obviously, it is.

Mr. Alcock: There are a couple of things that are interesting to me also, and I think, for the sake of the minister, we need to underscore the point that was made by Ms. Geary, and I think again by you, that the starting point in the negotiations with the employer has been, let us see how we implement Bill 22, not let us go back and renegotiate something that meets the needs of the corporation.

I also understand, from the discussions we have had at this table with the corporation during the committee meetings on the annual reports, that there have been significant economies already affected internally. The year-over-year operating costs are down. There are a number of layoffs planned into the future that they are working their way through right now. Some 200 or 300 people have been laid off in this last 16-18 months through retirement packages and the like. So the corporation is doing a lot to try to maintain a competitive position, and you underscored that with the rate differential with Saskatchewan. So it is interesting.

The other thing that the Finance minister has a habit of asking you, are you aware, the other awareness here is that this does not have an effect on the Finance minister's bottom line. The implementation of Bill 22 in your organization does not help his deficit one nickel.

Mr. Hales: No effect whatsoever.

Mr. Alcock: But I am interested in the comments, and they were raised last night also, about the competitive position with Unitel. I wonder if you could underline that a little bit, because it does seem that the corporation is being placed increasingly in a more difficult competitive position relative to the new environment it has to work in.

Mr. Hales: The consideration with Unitel or any other interconnect company is such that we are being compelled—and I will be fair to the local government. This is a federal regulation, but I am not entirely sure the provincial government could not have overseen it or stalled it off, as I believe Saskatchewan did. But the biggest injury here is, we will be paying for the entire cost, the 70 percent being up front versus the 10 percent or the 30 percent over the 10 years is a nonevent.

We are paying for it, and that is not a norm for business to pay for their competitors to come to compete with them.

As I say, we welcome competition, but let us have it fair, and the people of Manitoba are paying for Manitoba Telephone System equipment and methods and network to be there. They should not have to pay for some private sector enterpriser to come along and swipe the cream, which is only going to help the business community. I have no problem with the business community getting a fair deal, but not at the expense of the province of Manitoba.

The Acting Chairperson (Mr. Penner): Thank you very much, Mr. Hales, for your presentation.

I call now Elaine Olynyk and Roger Carrier, private citizen. Are Elaine Olynyk and Roger Carrier here? Not here. Dave Cutler here? Diana Degagne? Is she here. Diana? Rick Panciera, is he here?

* (1440)

Mr. Alcock: I am sorry. I do not know if you are reading off the same list I am, June 25, at 1 p.m. Did you miss Lewis Coelho?

The Acting Chairperson (Mr. Penner): Sorry about that.

Mr. Alcock: I think I see Lewis.

The Acting Chairperson (Mr. Penner): Sorry, I missed you, Lewis. Have you a—

Mr. Lewis Coelho (Private Citizen): My name is Lewis Coelho.

The Acting Chairperson (Mr. Penner): Coelho?

Mr. Coelho: Yes.

The Acting Chairperson (Mr. Penner): Have you a written presentation for the committee?

Mr. Coelho: No, I do not. I just have some written notes.

The Acting Chairperson (Mr. Penner): Thank you very much. Proceed, please.

Mr. Coelho: Good afternoon, committee members. First let me say that I wish I did not have to be here to be critical of the Filmon government and Bill 22 specifically, but given the nature of Bill 22, I really have no other choice but to appear before you as a representative of my co-workers. So thank you for the opportunity then for me to be here.

As I said, my name is Lewis Coelho. I am a social worker with Child and Family Services of Winnipeg. I am also the president of CUPE Local 2153. CUPE Local 2153 represents 300 staff of Child and Family Services of Winnipeg. This staff includes social workers, administrative clerical support workers, child care workers, family support workers, and case aides. We have all been affected by Bill 22.

As a union representative, I must tell you that I am disappointed, and I am angry at this government for routinely ignoring contracts and contravening the very foundation of collective bargaining. I know that others in the labour movement have expressed these feelings in more detail, and I am sure, more adequately, so I will not belabour the point. I will simply tell you how I see it.

Even if I disagree with the Filmon government's policies—and I do—I have to respect their right to govern. What I cannot respect and what dismays me is this government's heavy-handed approach which disrespects the existing rights of labour and management. The Filmon government did this with Bill 70, and now they do it with Bill 22, slashing vital services to the people in our communities.

Bill 22, I feel, is an abuse of political power, and it is no wonder then that politics and politicians are held in such low regard by the general public. Governments are elected to serve the people and yet I see Bill 22 which totally disregards the best interests of the public and the needs of our communities. Bill 22 and the Filmon government are clearly antiunion, antiworkers, and they disregard the real needs of the people in our communities.

How will Bill 22 affect the people I represent? Bill 22 means that Child and Family Services will be closed for 10 days. During those 10 days services will not be available to the children and families that we work with. During those 10 days, other agencies in the community, presuming that they too have not been shut down, will have no one to report concerns or suspicions of abuse to. Those agencies will not be able to get services for their clients.

More importantly, those very clients themselves will not be able to access their social workers or support workers during those 10 days.

At a time when we know that the need for services is increasing, the Filmon government through Bill 22 and the whole budget decreases services. The 10-day layoff translates into 3,000 days of nonservices to children and families in our communities.

The Filmon government has information that tells them that workers of Child and Family Services of Winnipeg carry about twice the workload that is normally recommended. This translates into a less than adequate and less than acceptable quality of service. Now with Bill 22, in an illogical and mean-spirited way, this government further reduces the quality of service to the community.

I have worked with children and families for 15 years, and I know that the quality of life and the quality of services are an investment in the future of our communities. The bottom line is not always the dollar; it is the people who make up our communities.

I hope that the impact of the 10-day shutdown is only subtle and it only leads to further erosion in the quality of service, because that is bad enough. I sincerely hope that major tragedies do not occur during the 10-day shutdown.

What will happen is that visits between children in care and their parents will be reduced. Children

will have to wait longer for treatment services and they may not get them at all. Complaints or allegations of abuse or neglect will likely take longer to investigate, and the quality of those investigations will likely be compromised.

When a tragedy occurs, who will accept the responsibility? When the pain does not stop, who is going to be there to share it? At a time when more and more people are disadvantaged, the government's job should be to be inclusive so that all people feel that they have a role to play, that they have a contribution to make and that they have hope.

The policies of this government and specifically Bill 22 do the very opposite. Will this government realize that we cannot improve the quality of life in our communities by attacking the services that people need? We will not eliminate despair and the resulting aggression with tougher laws but with hope and a promise of a better future.

Bill 22 does not build up; it destroys. As such, I respectfully ask the members of this committee to recommend the withdrawal of Bill 22.

The Acting Chairperson (Mr. Penner): Thank you very much, Mr. Coelho.

Mr. Manness: Mr. Acting Chairperson, I would like to ask Mr. Coelho, seeing he has dwelt an awful lot on the government and what it is that he believes that government should do for the people in the best interest of the people, I would ask him simply this question: Does he believe, democratically, that those governments that are elected democratically should do what it is that they promised to do?

Mr. Coelho: I would say, yes, governments should do what they promised to do. How they achieve those means is up for discussion, and I do not—others have mentioned and have made better arguments than I can about the choices that are there. Things like Bill 22 are not the only choice, and I guess I would only say that I would have hoped that this government would have looked at other choices to fulfill their promises.

Mr. Manness: Mr. Acting Chairperson, continuing along that vein, certainly if one thing we can be remembered for as a government during the election period is what we promised. We promised to hold and freeze taxes, and we were elected on that basis.

Mr. Coelho: Promise to hold which?

Mr. Manness: To hold the line on taxes, and we believe that we were elected on that basis. Consequently, I would ask then when you say there are alternatives, different choices to be made or different solutions, certainly one of the solutions was—and as we approached certainly the Manitoba Government Employees' Union, we asked them to consider as an alternative the voluntary rollback of wages, the reopening of the agreement, and we were told in no uncertain terms that was a nonstarter.

Now I ask you whether or not we should have tried harder to convince those that work for government to renegotiate their salaries so that we did not have to bring in Bill 22?

Mr. Coelho: I guess I can only say that I think if the Manitoba Government Employees' Union did not agree on opening the contracts for rollbacks, it is perhaps because of the same argument I am making that they did not feel that was the only option, and that they should not pay the price for the situation the government finds itself in, if indeed we can agree on what that situation is.

I also take exception, I do not agree that there have been no increases in taxes, because in effect if we talk about my paycheques, if I am deducted 10 days work for the year, that is nothing other than a tax. There have been other measures introduced by this government that are, in essence, a selective tax on some members. So I do not think it is accurate and fair to say that there have been no tax increases.

* (1450)

Mr. Manness: Well, Mr. Acting Chairperson, that is like then saying when the price of beef goes down that there is a tax. I mean, that is the same, whatever the reason be, that if we receive less, that we have been taxed. I do not accept that argument either, but further to that point, the presenter talks about other solutions. I would love to know them because as I survey the landscape and look into a number of other provinces, I see that certainly political parties much different than ours are reaching almost the very, very same solution. I guess I would ask your theory as to why, certainly, governments elsewhere which are not Conservative in nature are using basically the very same approach?

Mr. Coelho: I do not have an answer for that. What I see is the same attitude across the land, but

I also know that everyone does not agree that those are the only solutions. I am not an economist.

Mr. Alcock: Mr. Acting Chairperson, I think for the information of the minister we might want to ask some of those questions when Mr. Moist is here because the city employees have demonstrated some ability to go back and negotiate and find a solution in which they gave up some in return for some commitments around recovering that at a different point in time. So there were ways to negotiate these without imposing them.

I am interested, Mr. Coelho, in the comment you made. It has been some time since I worked in child welfare, but at that time, I believe, it was considered optimum for a protection worker to have a caseload of about 30, and an abuse worker a caseload of about 15. I might be a little high on that. What is your caseload today?

Mr. Coelho: I personally have a specialized caseload now which includes about 20 teenagers who are anywhere from 16 to 17 years of age, just prior to attaining adulthood, if you like. But I think a regular caseload is slightly higher than that, perhaps upwards of 40 to 45 on average.

Mr. Alcock: So not only on average are the workers that you represent 50 percent over what is considered to be the acceptable norm for good casework, but you are losing about 3,000 days of service as a result of the imposition of Bill 22?

Mr. Coelho: That is true.

Mr. Alcock: What has been the reaction of your employer to this? What is your employing authority saying to you? Winnipeg Child and Family Services, how are they approaching this?

Mr. Coelho: The employer? I believe they saw no other option but to accept the 4 percent rollback by the government, and they have accessed Bill 22 to close the agency for 10 days. They do not like it. They agree with us that it is bad for the quality of service, it is bad for the children and families we serve, but they really do not have any other option.

Mr. Enns: I just want to take this occasion, and I am speaking as somebody that has felt the results of some of the other options that this Minister of Finance and the government that I am part of have looked at.

I am speaking as Minister of Natural Resources. I have the same number of parks to look after. I

have the same number of forests to try to keep from burning. Three years ago I had a budget of \$104 million to do that. In order that we could continue to prioritize the government funding to Education, to Health and to Family Services and enable those budgets to continue to get, by and large, regular increases throughout the Filmon years, throughout the years of this Minister of Finance, my budget was substantially reduced. I mean a reduction of 20 percent, 200 employees out of my shop.

Those were the kinds of options, not just in Natural Resources but in virtually all other line departments of government, that this government chose to exercise in terms of looking at other options. I am just trying to make the point with the presenter that the options that were now available to him were getting pretty narrow. The option was asking the public service to share in the kind of restraint, if you like, or the reductions that individual departments have suffered in their overall wage package.

We seem to have been troubled with communicating that to those sectors of the public service that have enjoyed, by all standards in terms of other department employees, continued favoured position. Do you think that those involved in Social Services, Education, Health, recognizing the priorities of those services, and certainly this government has done that, should not be asked to make a contribution, as we are in fact through this bill now asking all to make a contribution?

Mr. Coelho: I have no problem with making a contribution to my province or my country or even my government, and I certainly respect, as I said, this government's right to do what they feel is just. I guess we have a basic disagreement about what the choices are, what the answers are.

I know that we are not singled out as a department, Social Services certainly is not, and that everyone seems to be hit by the same mentality that this government is obviously working from. I guess it is that kind of mentality that I do not quite buy, so we have a disagreement about how to approach this.

Hon. Harry Enns (Minister of Natural Resources): The point that I am making is that in fact all other departments other than those involved in social services have been singled out for the last three or four budgets in a very substantial way in 10, 15 and 20 percent ways. I make that point only

to underline the diligent pursuit by this government, this Minister of Finance in searching out other options.

As I understand it, you keep indicating to the minister and to the government that we have not looked sufficiently hard enough for other options. It is no particular joy to us to be in conflict with collective bargaining agreements that have been arrived at. I just take this occasion, Mr. Acting Chairperson, I thank you for putting out that this government and this particular Minister of Finance and regrettably I am the—you know, I can speak as a recipient of some of those other options that have been exercised two, three years ago.

The budget of my department today is \$84 million as compared to the budget that I had when I came into the ministry three years ago of \$105 million, and yet the public certainly demands the same kind of service. In fact, perhaps you may be part of the public that enjoys Manitoba's parks. They want our resource officers out there maintaining the parks at the same level. They expect the wildlife interests to be preserved and conserved at ever-increasing levels.

We have had to try and innovatively come up with ways of doing that but I take this occasion, not just to you, sir, but particularly to the number of people representing the Department of Education. The Department of Education has not received a cut yet and social services has not received a cut yet. This is the first contribution that they are being asked to make. Thank you.

Mr. Martindale: I believe with this year's budget, all departments have been cut. One of the few exceptions would be the increase in the welfare budget because it is a mandated service. The department is up, I mean, because the welfare budget is up, but Child and Family Services did receive a cut, as this presenter pointed out.

Mr. Coelho, I would like to ask you some questions based on some comments that you made. For example, you said that there was no one to report suspicions of abuse to. Were you referring to Fridays, when staff are off?

Mr. Coelho: Yes, the days that we are not going to be there to take those kind of complaints or information.

Mr. Martindale: Will there be no emergency staff who will hear complaints of suspicions of abuse?

Mr. Coelho: In fairness, there is an emergency staff that will operate on those days, but they are there simply to deal with the most urgent emergencies. They are not by any means full staffed and if they assess a situation that can wait, then that will be relayed to the workers on the next working day. So they will deal mainly with the most clear emergencies.

Mr. Martindale: Can you tell us what the consequences of staff being off will be for children? For example, children who are taken into custody Thursday evening, can you tell us if they will be staying in hotels until Monday or going to court on Monday instead of Friday and how that affects children?

Mr. Coelho: It is very conceivable and I am sure it will happen where children may be apprehended for a variety of reasons on a Thursday evening. If the agency is closed Friday, Saturday and Sunday and perhaps Monday if it is a long weekend, no one is going to deal with that until Tuesday morning. I cannot tell you how long it would take for the particular worker assigned to it to get through all the information that he needs to get through to make a decision as to whether or not those children could be returned. I am sure there are many cases where they probably would not be returned on a Friday in any case, but I am sure there are others and that might be a possibility, but that is not going to happen because there is no one there to deal with that on that Friday.

The Acting Chairperson (Mr. Penner): Mr. Martindale, there is one minute left.

Mr. Martindale: Do you have any information about the number of children spending time in hotels on the weekend currently?

* (1500)

Mr. Coelho: I do not have any numbers. I know that as an agency we do not like that. It is not the most appropriate place to put children, especially children who have been removed from their families for what are always very traumatic situations. But given the situation of the time, we do not have enough foster homes where we could place those children, so they do end up in hotels, which is regrettable. But I do not know the numbers at the moment.

The Acting Chairperson (Mr. Penner): Thank you very much, Mr. Coelho. I am going to call a five-minute recess.

The committee recessed at 3:01 p.m.

After Recess

The committee resumed at 3:05 p.m.

The Acting Chairperson (Mr. Penner): Will the committee please come back to order, please.

I call next Diana Degagne. I call next Rick Panciera. I call next Rick Keep. I call next Bernice Bryan.

Ms. Bryan, have you got a written presentation for—

Ms. Bernice Bryan (Private Citizen): No, Sir.

The Acting Chairperson (Mr. Penner): Thank you very much, would you proceed, please?

Ms. Bryan: Yes, I work in a privately owned industry, in a nursing home. My employer is Extencicare, and this is the second time in three years that I have had to come before these hearings in defence of my livelihood.

Bill 70 took away our right to collective bargaining. Bill 22 is going to take away the right for me to be a full-time employee. According to the definitions in our collective agreement, a full-time employee is somebody who works 2,080 hours per year. Bill 22, if we have to take 10 to 15 days a year off, is going to reduce my hours of work by 10 to 15 days, which virtually is making me a part-time employee.

Earlier, Sister Geary stated that we had to take the most vulnerable citizens in our province and give them good quality care. As she stated, this government demands the care that the homes provide. They are the ones that set the standards, but we are the ones that deliver that care, and we are damned proud of our job.

Needless to say, you should be proud of us, too. You should not be taking away from us for what we are giving back to you and the senior citizens of this province.

I have been told that the Health Services Commission has advised all health care facilities that they will implement Bill 22. I would like for the government to answer what Sister Geary had also asked: How do you replace full-time employees for 10 to 15 days a year? How do you care for these senior citizens if there is nobody in the facility to

care for them? It does not make any sense. You are not saving nickel one.

She said that we are the working poor of this province. She makes a lot of money; she makes \$23,000 a year. Me, I make \$17,000. Thank you very much. I am a full-time employee, and I earn \$17,000 a year. It is nothing to write home about, and I do my job since 1972. I have been working in my job for 21 years in the same facility, and I love my job. I love those old people, and I am not going to quit just because you keep saying to me, no, you cannot have a raise, you have not had a raise since 1989. That is okay. I will continue to work and look after those old people because you do not want me to, and I am just stubborn enough to say, I am going to stick it out. I will.

I am under the impression—I could be very wrong—that the government has reduced the funding to the health care facilities in that you have already reduced my potential wage because my raise comes out of the funding that the government gives to extended care.

My co-workers and myself, we work hard. Our workload is absolutely horrendous. The facility that I work in, they have just opened up two new units. One is a palliative care or supportive care unit, and the other one is a protected environment unit for the potential physically abusive resident, the Alzheimer resident. It is not designed, I do not think, to be a permanent residence for the client. They would go back into the general population of the nursing home should they be controlled by medication or whatever, but while they are there, we do get spit on, kicked at, sworn at, beat up and the whole nine yards of it all, and we do it willingly every single day—every single day.

But we are getting tired. Everybody is saying, you have to give. If I give anymore, I am going on welfare because I can earn more money living on welfare than I can working eight hours a day every day of my life. Bill 22 is taking away another 15 days off of my paycheque, a potential 15 days off of my paycheque every year. I cannot afford that, and I know a whole lot of people that I work with that cannot afford it. I am one of the top earners. I have the highest wage rate in that facility. So anybody that is starting to work there, who is a single parent, I do not know how they do it. I am just a single person and I cannot do it. I do not know how a single parent does it.

* (1510)

I have only one other question to ask the government—maybe I should not ask it, but I am going to anyway. All I want to know is why you, the provincial government, have such a hate on for the working people of Manitoba that you just want to keep taking and taking from us. We cannot do it anymore. Our pockets are not deep anymore. They have gone up a whole lot; our pockets, they are not deep anymore. The fact of the matter is that you are helping to cripple the economy of this province because we cannot spend the money that we do not have, and we always, I always, I live on an overdraft at the bank. That is what I live on, and my whole pay cheque keeps going back into the province. With the band-aid solution that you have, I just do not think it is going to work, and I really think that the government should withdraw Bill 22. Thank you.

The Acting Chairperson (Mr. Penner): Thank you very much, Ms. Bryan.

Mr. Manness: Thank you, Ms. Bryan. At the very last moment, you said something to the effect that the people of the province just did not have any more money to give, the working people.

Ms. Bryan: Yes, I do not know about all the working people.

Mr. Manness: Where do you think the government gets its money?

Ms. Bryan: From the working people. I have not heard you say thank you to me lately.

Mr. Manness: Do you not realize the government is the people?

Ms. Bryan: When?

Mr. Manness: Well, the government is the representative of the people. Another name, if you want to replace the name "government," you say the people, so the people then have a problem, and the people have a problem because this government does not have enough money to give. In other words, the people do not have enough money to give. So, I guess my question is—you talk about the working people having problems—where does then the people's representatives, the government, get its money from, and where should it go for more?

Ms. Bryan: Well, I would think that the government would probably, with the possibility of being called out of order here, go to the

corporations, go to Trizec Corporation, go to these big guys, Great-West Life Assurance Company, that are making gazillion dollars a year in profits and paying zero dollars in taxes. I do not mind paying my fair share of taxes, but I do not want to pay their share either.

Mr. Manness: Mr. Acting Chairperson, I would ask the presenter then if she is aware that we have the highest tax rates in the country and that our problem is that if we were to double the tax rates, we still would not bring in, really, significantly more money from our businesses, so I know it is so easy to believe that our businesses are making all this money—[interjection]

Well, the member knows we have the highest tax rates, and if he does not, all he has to do is go to the darn chart and find it out, 17 percent, or do you have a clue?—17 percent.

The Acting Chairperson (Mr. Penner): Order, please. Mr. Plohman, I am going to ask you to refrain from interjecting until it is your time to come questioning.

Mr. Manness: So again I ask the presenter if indeed the—I mean I can remember the former government applying a 2 percent tax on net income, which just ravaged those people earning \$20,000 and less. Now, this government has done everything possible to make sure that we have not had to increase that 2 percent tax on net income from 2 to 4 to 6 to 8 to 10 percent, so we have done everything we could to try and safeguard those who are earning \$23,000 and less. The most progressive tax rate in the country, in the Province of Manitoba, on the personal tax. There is none that is more progressive.

I would ask the presenter then what she would want us to do when there just is not enough revenue coming into government, other than look at the cost side?

Ms. Bryan: I am not a politician, do not ever claim to be, and I do not have the facts and figures that you are privy to. But I have to tell you, you do not have to be a rocket scientist to figure out that if you are taking a dollar out of my pocket, when I am earning \$17,000 a year, to put it into whomever's pocket, I do not care whose pocket it is going into, it is coming out of my pocket and the CEO at the Trizec corporation is taking maybe 25 cents out of his pocket, I do not think that is fair, Mr. Manness. I do not care what you are telling me about the

previous government and their 2 percent personal income tax. I pay that every year and I do not complain.

Mr. Ashton: I, in fact, remember Bill 70, and I remember the presentation then. It is a slightly more reasonable hour actually for most people this time, although I do not know if you are getting a much better response from the government than on Bill 70.

I just want to focus in on the Minister of Finance's rather bizarre statements. He said that the government is the people. Well, the last I saw they represented about 42 percent of the population. They won the election, that is fair enough but I think we are seeing increasingly that they represent certain people. We have seen Tory fundraisers be appointed to boards, being able to default on \$6-million mortgages. In fact, one Tory fundraiser was appointed to the Bank of Canada board and the Manitoba Hydro board within a week of defaulting on a \$6-million mortgage.

I just want to ask you, since the minister is so interested in fairness and whatnot, do you rent or do you own a home?

Ms. Bryan: I share a home with a roommate, another health care worker. I did that because I could not afford to live in my apartment any longer by myself when the rent was going up to \$550 a month. I do share a house and share the cost of the rent there.

Mr. Ashton: I am just wondering what would happen if you decided not to pay the rent collectively with the other person, whether you would be in that house for very long after that.

Ms. Bryan: I do not think so. I would probably be out on the street, and I would not get appointed to a government position either.

The Acting Chairperson (Mr. Penner): I am going to ask those that are waiting to be presenters to restrain themselves.

* (1520)

Mr. Ashton: I think it is an important point because the Minister of Finance was sort of almost lecturing you and other members before the committee. What I find interesting is that, when it comes to fairness, the Minister of Finance always leaves out the fact that—he focuses in on a small part of the question. We have raised concerns

about a whole series of things that are not fair and I just mention that.

I am wondering, since we are on the theme of fairness—and by my calculations, you are going to be losing about \$650 a year out of this, is that probably—

Ms. Bryan: That is just about right.

Mr. Ashton: I found it interesting that the Minister of Finance talked about taxes. I am just wondering, when you are making \$17,000 a year to begin with, how losing \$650 in income is going to impact on you?

Ms. Bryan: It is going to have a drastic impact on me. I do not know what I am going to do. I stated earlier, I live on my overdraft at the bank. Thank God for that—not the bank, the credit union, I am sorry. My whole paycheque just goes to an overdraft. That is it, you know. I do not know what I am going to do—\$650, I have got to tell you, that is two months rent.

Mr. Ashton: Going back to Bill 70, Bill 70 because of the wage freeze, in comparison to the rate of inflation at the time, probably also cost you around the same amount, \$650-\$700 in that rate. So the combined impact of Bill 70 and Bill 22 would be in excess of \$1200-\$1300. Is that probably a fair approximation?

Ms. Bryan: That is pretty fair, yes.

Mr. Ashton: What I found interesting, too, in your response to the Minister of Finance when he talked about fairness, and quite frankly I thought you put it rather well when you said the money is coming out of your pocket. That is \$1200 that has come out of your pocket when you are making \$17,000 a year. No matter how the Minister of Finance wants to package that, it certainly to me does not seem particularly fair.

I am wondering, you know, if you could maybe on a personal basis—and you have already mentioned how, for example, you are sharing accommodation now because you just cannot afford to pay the rent on that basis—try and give people on this committee some idea what it is like to live in 1993 on \$17,000 a year and absorb a \$650-\$700 cut one year and a \$650-\$700 cut now a couple of years later in a job that, working in a nursing care home, is not exactly one of the easiest jobs to begin with.

I am wondering if you can give them some sense of what it is like as a person, all of the politics and whatnot we get into in this committee aside, what it is like in 1993 on that kind of income.

Ms. Bryan: It is scary. I will give you just one example. In 1989, before Bill 70 was implemented—I drive my own car. Right? Autopac time came along in February. I paid \$563 or something like that in 1989, and I paid it all at once. In 1990 along comes Bill 70, and I had to do it in three payments. In 1993 my Autopac now is \$796, and my deductible went from \$350 to \$400, and I am still paying on three installments because I cannot do it all in one payment like I did in 1989.

The second installment that was due on May 31, I had to pay a \$20 penalty because I did not get paid till June 10. So I had to pay an additional \$20. Because I paid two-thirds of the cost of my insurance in February, because that is the way they do it, my car should have been insured up until the middle of June by my estimations, but I still had to pay a penalty because I was 10 days late with the payment. It did not make any sense to me, but there I am, paying the government an additional \$20 because my paycheques do not fall when the government says they should. It is not easy. It is not easy at all.

Mr. Ashton: This is one of the concerns that we have expressed about Bill 22 is the fact that, you know, the Minister of Finance before talked about tough times and what not. But I look at a situation where you are paying \$1,200, \$1,300 a year out of your pocket because of this government's actions. You are falling behind on bills, you have to share accommodation just to get by, as you said.

I do not want to pry in terms of personal finance, but if you are in the situation where you have to live off an overdraft anyway, it is pretty tough. I would just like to ask you—and you mentioned too, that you are one of the higher-paid employees at the personal care home—I mean, is your situation unique or is that the general situation for the people you work with, that it is getting tougher and tougher with this kind of government action to just make ends meet?

Ms. Bryan: The people that I work with are mainly women. There is 165 support staff in there. I would estimate a guess at, probably, 130 of them are female. A number of them probably—I would go out on a limb and say 30 percent of us are single

mothers. They are having just as hard a time as I am. Some of them are even on partial social assistance because they just cannot—I do not know anything about the welfare system or anything, but I understand that if you are a part-time worker and only work X number of days and get this many dollars, you can apply for an assistance program or something, and some of them are on that so that they can feed their kids and put a roof over their head, sort of thing.

But to have a social life or any kind of activity, it is not even thinkable.

The Acting Chairperson (Mr. Penner): Thank you very much for your presentation, Ms. Bryan. I will call next Deborah Zanke. I call next Debbie Meilleux-Reid? Have you a written presentation?

Ms. Debbie Meilleux-Reid (Private Citizen): Yes.

The Acting Chairperson (Mr. Penner): Would you proceed, please?

Ms. Meilleux-Reid: Okay, I just wanted to, before I get into my actual presentation, say that what has been submitted to you is, basically, mostly my views and opinions on the way I feel about Bill 22 and how it is affecting me personally.

I am being victimized because I am an employee of a Crown corporation. The government's mismanagement of public money has led to an incredible deficit that I, as a public sector employee, later referred to as PSE, am expected to pay for.

I have seen wage freezes as a result of Bill 70, and now Bill 22 will take approximately \$1,500 of my spending power based on 10 days leave without pay, and all of this within a three-year period.

It should be noted that our Crown employees do not work a 40-hour week. Our biweekly salary is based on a total of 72.5 hours, so deducting 10 days from this amount makes us part-time employees.

The government has created a negative image of the public sector employee in making the public believe that we are overpaid and can handle a clawback. I cannot afford a 3.8 percent wage rollback, and I am not overpaid. The average annual CUPE employee's salary is \$25,000. This would equal a loss of at least \$1,000 this year if Bill 22 is passed.

This ploy by the government ignores more important issues such as the increasing burden on the average taxpayer. We are, year after year, paying higher taxes and seeing fewer services, along with a decrease in the quality of remaining services.

As a consumer, I cannot contribute as much to the economy. Reduced disposable income plain and simply means less money to spend. As a working mother, I must pay for 10 days, maybe even 15, of nonusable daycare just to keep my spot. The government's reduced subsidization of daycare services increases my costs. I must pay more and more while I am taking home less and less because of this government's clawbacks.

Families with children comprise a large portion of our society, and young couples considering having a family must be totally discouraged with this government's lack of support when it comes to daycare and education. For young couples, Bill 22 makes planning for the future more difficult. How can you have a solid financial plan so you can pay for a home, raise a family, or even try to set aside money for your child's education when you cannot depend on your income because of Bill 22?

As a PSE, Bill 22 will require I work harder and quicker in less time to meet deadlines yet retain accuracy and efficiency. Quality of work will be negatively affected; the final result will be inefficiently run government offices.

As a member of the public, I do not want to see services deteriorate any further than they already have.

This legislation creates a situation where my services are not being offered for 10 days within a calendar year, and possibly 15. This encourages hypocrisy for required overtime to meet the demand. Bill 22 will not save money when I have to take 10 days leave without pay and then be required to work overtime, where I will be paid at the basic rate, not the reduced rate, and in addition at time and a half, double or even triple time in order to provide required services. Overtime will be a definite side effect of Bill 22 and will have a major impact on the quality of my family life.

* (1530)

This clawback is only a small band-aid solution to a large open wound. Will Bill 22 see the deficit reduced? I hope so, but I doubt it. This government seems unwilling and unable to deal

with the deficit they have created. It is time the government quit spending beyond the taxpayer's means. It is time to quit picking on PSEs. If Bill 22 does not reduce the deficit, what plans are in store for PSEs after this legislation? Do you reduce my wages by 20, 30, 40 days?

Our government has previously abided by a Labour Relations Act and are now superseding it with Bill 22. What right does this government have to force employers to ignore The Labour Relations Act by serving notice when employers and bargaining units have negotiated a collective contract? This sets a precedent that our government is prepared to override any collective contract or legal agreements. This government and Bill 22 set labour relations back decades.

The most infuriating fact is that our Crown's allocation of clawback of wages is being passed on to the customer bill and not going directly to the deficit or maybe even saving jobs re possibly minimizing potential layoffs or even no contract-out services. If Bill 22 is meant to reduce salary costs and the deficit, how does the Crown's implementation of this bill to its employees aid the situation when the wage clawbacks are not being forwarded to government coffers?

Maybe now is the time that we look carefully at who our politicians are, what they believe in, and are they making the best decisions for our society and economy?

Someone made the decisions that created and accumulated this deficit. I do not think it was the PSEs nor the average working person. I think the politicians are not taking enough responsibility for this entire situation. To point a finger at only PSEs to correct this error is unjust. What monetary role are the politicians taking in depleting the deficit besides their clawback on their base salaries when they have tax free allowances and expense accounts to recover their losses? Has some kind of clawback taken place with the allowances or expense accounts? I think there would be great savings here.

I am frightened of the future. I am looking at less money, longer hours of work, more stress on the job, decreased quality and options for daycare and, most importantly, the decrease in health care services and education.

In closing, PSEs should not be the only ones responsible for paying the deficit. The private

sector is just as responsible for utilizing government services; therefore, we should all carry the burden.

Mr. Manness: Thank you very much, Ms. Meilleux-Reid. I take your representation pretty seriously because you have been one of the few, if not the first one, to mention the word "taxpayer," of all of the presentations I have been listening to over the course of the last five or six hearings.

You say, where is the money going? What type of terrible job are the politicians doing? I do not know if you are aware of this, but since we have been a government, we have increased health spending from \$1.3 billion to \$1.8 billion. We have increased education spending from three-quarters of a billion to around a billion, if not over. We have taken daycare spending and taken it from \$26 million to \$53 million, and I could go on and on and on.

Almost 80 percent, in many of these cases, 90 percent, of these increases has gone to wages in the public sector, the PSE, as you call it. That is where the money has gone. It has gone to wages in the public sector. If we borrowed to support that so heavily as indeed governments in the past have, and we have done some of it too, and all of a sudden the revenue is not coming in anymore—and you said taxpayers, so obviously you are concerned about taxes—can you tell me what other alternative we have but to begin to ask some of the people who have the same benefits of the increases in the public sector over the course of the last number of years to now give some of it back?

Ms. Meilleux-Reid: For one thing, I do not think I am in a position to lay out a financial structure for the government to follow, but one thing I do believe is that there has to be different routes that can be taken to allocate to these areas that are the most serious. As far as wage increases, I know as a PSE working for the Crown, I have not gotten increases. So I do not know how the money is coming back to me through increased wages—that money has been used through government funding to come through the Crown for my wages—when I have not seen any increases.

Mr. Manness: Fair enough, but you said public sector, and the public sector includes the Crowns and includes the civil service, and yes, the examples I gave you certainly very much dwell on the civil service side. Are you then saying that—or

you have to be saying, but I do not want to put words in your mouth, that the public sector should be treated differently than the civil service, because the civil service is where all of the money has been spent, in wages for the most part over the course of the last 20 years, and that is where the deficits are.

Ms. Meilleux-Reid: I am not trying to make any determination that I as a Crown person should definitely be treated differently than the other PSEs. I am just saying at this point that the PSEs are being pointed to, to be responsible to pay for allocations of incorrect funding or whatever have you, because it is saying that they are going to save money in the budget through what we have put out, that we have put out.

I do not see how we are responsible as PSEs for taking the burden on this. What I am saying is that there has to be something else that the government can look at that affects everybody, because we are all using the services no matter what allotments have been made, whether it is daycare or education. We are all using those services. PSEs should not be the only ones responsible to pay for it.

Mr. Manness: Mr. Acting Chairperson, then if I interpret what you are saying right, is that we should have a two-tier tax system. Because you are saying that the taxes on the PSEs are high enough, but that government then should have a different tax rate for those that do not work for the public sector. You must be saying that because I can tell you, as I have said to you before, health—\$1.3 million to \$1.8 million—almost all of it because of salaries, salaries, increases in salaries—

Floor Comment: Increase? More people.

Mr. Manness: No, mostly increases in salaries—not that many more people. This is arithmetic; this is not politics. This is not special knowing economics. This is arithmetic. Where is that money supposed to come from?

Ms. Meilleux-Reid: I cannot comment on where the money is or is not going to as far as what is going on in the government end of things. I do not know that. All I can tell you is how it is affecting me and how I am being pinpointed as a PSE in having to pay this deficit, and I feel that if it is a major problem, and we know it is a major problem, then the bottom line is we are all responsible. Something should be implemented in that case as

a deficit tax, whatever you want to call it. It should affect everybody. We all use the services.

Mr. Ashton: Mr. Acting Chairperson, I was amazed when the Minister of Finance talked before about public sector salary increases being responsible in terms of budgets over the last number of years. I just want to get this clearly on the record. I mean, you work for a Crown corporation. Which Crown corporation is it, by the way?

Ms. Melleux-Reid: Manitoba Hydro.

Mr. Ashton: Manitoba Hydro. Was your salary not frozen under Bill 70 as was everybody else's?

Ms. Melleux-Reid: Yes, my wage was frozen.

Mr. Ashton: Under Bill 22 you will essentially be in a position of having the equivalent of a 3.8 percent rollback for at least two years as a result of this particular legislation?

Ms. Melleux-Reid: That is correct, and also my husband is an employee of the Crown. So it actually works out to more than 3.8.

Mr. Ashton: I just want to focus in also on the fact that sometimes the government has said that they are bringing in this bill to somehow prevent positions from being eliminated, layoffs. Is it also not a fact that Manitoba Hydro this week has eliminated 480 positions, and in fact as many as a hundred people will be laid off, and I believe another 70 will have their contracts expire at Manitoba Hydro?

Ms. Melleux-Reid: That is correct, and my husband and myself are both in jeopardy of being people who will lose their positions due to contract out of services. So not only Bill 22 and wage rollback, but there is also the potential that even—through a lot of the people that I have spoken to through the employees of the Crown who have said even a rollback in wages would not have been so bad if it could save jobs, but they cannot see it happening.

Mr. Ashton: Well, in fact I think that is an excellent point, because I asked the question in the same committee room three months ago to Manitoba Hydro, first of all whether they were affected by Bill 22 and second of all what the alternatives were. At that time I was told the alternatives were layoffs or Bill 22. Now this last week we have seen that the alternatives were layoffs and Bill 22, and I am wondering what is the morale like at Manitoba

Hydro following the announcements this week? You mention that you and your husband are both concerned about your own job security. What is the morale like this week?

* (1540)

Ms. Melleux-Reid: Right now, there is a very low morale, very negative. A lot of people are very disappointed in seeing that originally Bill 22 was supposed to go to minimize layoffs and help deplete the deficit, which made people believe that the incorporation of Bill 22 would disallow layoffs at Manitoba Hydro, or at least very minimally people would be affected, and contract out of services could be something that would not be looked at because we could keep the employ within the Crown.

Of course, with this coming through now with all these layoffs coming at Manitoba Hydro, there are a lot of insecurities, and there is a very negative effect on people's views now towards the executive where there was always a very good rapport there before. Now there is a lot of uneasiness within Hydro.

Mr. Ashton: I . . . the opportunity to talk to people since the announcement. It seems to be a concern that is shared by a lot of people. Nobody seems to know who is going to be impacted. In fact, I have known of people who have been phoned by other people saying their position has been identified for possible elimination, and those people have not been officially informed. So it is a very difficult situation.

I just want to go further, Mr. Acting Chairperson, because I just want to once again try and get some sense of the reality out there to members of this committee. Here you have both members of a family with this cloud over their heads, and you already have the cloud of Bill 22, and you have already had the cloud of Bill 70, which froze the wages. What kind of impact would it have now if you are both to be laid off as a result of this latest announcement this week?

Ms. Melleux-Reid: The bottom line is that we would probably be able to survive if it only affected one of us. If it affects two of us, definitely, we are in a position where we would have to let go of our home and not even consider having another child. Right now we have one child.

Even with Bill 22, because we both work for the Crown, it has put us in a situation to have to

reconsider family planning, and we are considered high earners in the positions that we have because we are considered in professional positions. So we are at the point that we do make a good amount of money. We make over \$30,000 a year each.

But by the time we pay our taxes, our surtaxes, our federal surtaxes, our daycare expenses, we are not left with a lot to live on. We live in a 20-year-old home. We have two cars. One is not running, a 1980. We do not have new vehicles. We just live a normal life, payday to payday, as anybody else does. And yes, we have an overdraft, too, just like a lot of people do, but we do not live high off the hog or above our means.

Losing an average of \$3,000 a year, because that is what it would be for my husband and myself, we really have to reconsider any future that we are going to have with having any more children. It is not just a matter of how can we take care of this child payday to payday, but how are we going to be able to take care of these children for their education once they have come out of the public school system? We have to put that into today's considerations as a major factor. We feel that, with the instability that we are going to have based on our wages, we cannot be very serious about this at all in what we can actually establish for our children.

Mr. Ashton: I thank you for that perspective because what we have here, particularly in your case, is sort of a double jeopardy in the sense that both being public sector workers in the family, you are both being subjected to Bill 22, which, I feel, is a tax on public sector workers.

I was surprised when the minister before kept talking about the benefits that public sector workers have had in terms of salaries, et cetera. I mean public sector workers perform work. They perform public service. They work for the money they earn. I was quite surprised by that comment.

I am just wondering, taking the context of Manitoba Hydro, with 4,400 employees and that terrible situation with morale currently, and the 100,000 public sector workers, if you do not think—you know, there are going to be a lot more people like you out there who are seriously going to consider their future plans because of this bill. What kind of impact do you think that will have on the economy?

We are in a pretty fragile situation. Hopefully, we are going to be into a recovery, but I just do not see it myself when you see people such as yourself. What is going to be happening, to your mind, to people like yourself when it comes to looking at buying something, anything that might get the economy going, a new appliance, et cetera? Surely, is it not going to impact the same way it is on you, where people are going to really start cutting back, hurting not only the economy directly but also indirectly through the spinoffs that might create?

Ms. Melleux-Reid: Well, it is ironic that you mention that because prior to coming to these hearings, I sat with a couple of people at work who are really terrified about what Bill 22 is going to do to them. They make an average of about \$23,000 a year, single mother, two children. She says she lives payday to payday now. There is not an extra dollar. She says, I am going to have to go—in her situation, she has to go look for a part-time job to be able to support her and her children.

In my scenario, I look at things now. I was supposed to sit with an investor to be able to put even if it was \$50 a month aside for my child's education starting in the new year, so that I could have something developed for him. I have to put that on hold. I do not know if I am going to have a job. I do not know how much money I am going to have coming into the house. Just different scenarios like that. I cannot go out and buy something when it breaks down anymore because I do not know what kind of money I am going to have. I do not know if I am going to have a job tomorrow.

I understand this government cannot ensure me job security, and I am not expecting that. What I am expecting is to have security in my wages so that I have a better guideline of what I can do with my life.

The Acting Chairperson (Mr. Penner): Thank you very much, Ms. Meilleux-Reid, for your presentation.

Ms. Melleux-Reid: Thank you.

The Acting Chairperson (Mr. Penner): I call next Mr. Blair Hamilton. Mr. Hamilton, have you a written presentation for distribution.

Mr. Blair Hamilton (Private Citizen): No, I do not.

The Acting Chairperson (Mr. Penner): Thank you very much. Would you proceed, please.

Mr. Hamilton: Greetings, Mr. Acting Chairperson and members of the committee. My name is Blair Hamilton, and I am here on behalf of the social services steering committee of CUPE Manitoba. I work in the social services sector, and I am volunteering my time to speak to you today because I believe the rights of the people I work with are important. I am here to speak specifically about Bill 22, which represents an attack on those rights.

The concept of a forced reduction in both work and pay is offensive to me and my colleagues. The loss of pay will clearly impact upon our standard of living, but that is not the main cause of discontent. More importantly, Bill 22 compromises the integrity of our collective agreements, the state of labour relations in Manitoba, and the delivery of social services in this province. I think each of these issues deserves some attention.

The collective agreements that have been negotiated in good faith are being methodically gutted. First, the Bill 70 wage freeze and now Bill 22 have demonstrated that the government of Manitoba has had a blueprint in place for some time to allow for the circumvention of collective bargaining. The conclusion is that recent contracts have been negotiated with no intention of being honoured by this government. The concept of a contract being a binding agreement no longer applies to public sector workers.

If this government started from the premise that collective agreements should be respected, mutually agreeable solutions may have been possible. The City of Winnipeg workers negotiated a fair and reasonable solution to a financial crisis. Workers are certainly prepared to do their share when and if they are treated as partners in the process.

Clearly, the foundation for positive labour relations in Manitoba should be based on the concepts of partnership, mutual respect and negotiation. The manner in which Bill 22 is being imposed will have long-lasting and negative implications for labour relations. Surely, the government is not so naive as to think the public sector workers will simply forgive and forget.

* (1550)

Future contracts, current productivity and morale within the public sector will all be affected. This is in stark contrast to a positive joint initiative such as

the Crocus Fund. Where labour is treated as a partner, constructive initiatives can result, and I would like to point out that I think that is the way successful economies operate. The concept of a reduced workweek is not unworkable in and of itself, but the imposition of Bill 22 precludes any substantive negotiations to address specific concerns.

A number of public sector workers may have opted for a reduced workweek if it were a voluntary option. The current approach does not explore the idea of exempting those in lower-paying classifications, and you have heard from a number of those people today.

The idea that a 30-day consultation can be followed by a unilateral imposition is really the height of cynicism. The most important reason that Bill 22 is a wrong-headed initiative is because it reduces services to Manitobans. Those of us in the social services know that this translates into misery and suffering for many Manitobans. Application of this legislation to Child and Family Services means that case plans will be delayed, family visits between children in care and families will be delayed or cancelled, investigation of cases take longer, and treatment will start later.

You are probably aware that CFS will operate during the layoff period with the staff that work evenings and weekends, and Lewis has talked about that a little bit. It is irrefutably true that the majority of children come into care when those night staff and emergency staff are on duty. You know, that is not cheap either. We pay to have those kids in care.

These staff simply cannot afford to take the time that day staff do to try and resolve a situation. As a result of Bill 22, a number of children will come into care that would otherwise have remained with their families. We are talking about little kids, kids who could be with their families. I am sure that you will hear about parallel impacts in education and health services.

This reduction of services, which will have real impact on real families, is particularly difficult to accept when it is simply not necessary. We understand the need for fiscal responsibility, but we believe the facts have been misrepresented. It has been suggested that reductions like Bill 22 are the only avenue to address the budget deficit.

We believe that additional revenues have been ignored. Yes, many of us are tired of paying taxes, but many Manitobans, in fact 5,000 of them, paid no income taxes on incomes over \$50,000 in 1988. A 1.5 percent surtax on incomes over \$70,000 would generate \$30 million. Some have put the cost of tax reduction to corporations and the wealthy at \$205 million. I am speaking specifically about the budget chaired by Choices.

None of this even takes into account the fall in transfer payments from the federal government. I do not want to let the province off the hook, but I think the partners in crime, if you will, in the Mulroney government have been largely responsible here. The high interest rates imposed by the federal Conservatives during the 1980s gave record profits to banks, and they responded by making 70 percent of their investments outside of Canada.

I would suggest that the Free Trade Agreement and NAFTA are creating an environment in which corporations can hold an economic gun to Manitobans' heads. If we do not forgo the revenue from taxes these corporations should be paying, they threaten to relocate and remove jobs from our cities, provinces and nation. If we forgo these revenues, we must ultimately cut services and our quality of living.

The necessity for Bill 22 is the result of false choices, the illusion that we cannot control our own economic destiny, but we need to rely on modern versions of the old robber barons to provide investment.

In conclusion, I do not anticipate that this bill will be withdrawn, but if we do not take matters into our own hands, the implications are obvious. More and more bills like this will be drafted in more and more severe terms and ultimately serve to pit Manitoban against Manitoban and impoverish us all. Thank you for your time.

The Acting Chairperson (Mr. Penner): Thank you, Mr. Hamilton.

Mr. Manness: Mr. Hamilton, I thank you for your presentation. Although I do not agree with portions of it, I very much appreciate the manner in which you brought it forward in succinctly going to the points you did and really coming to the nubs of the issue in most points. So I sincerely tell you, out of all the presentations I have heard over several days, you have cut to the quick, and you removed a

lot of the rhetoric, even though you are not happy with the bill.

I guess I am a little bit troubled because when we put together the bill, and we dealt specifically as a government with MGEU, it became readily apparent to us that Mr. Olfert was not interested in really negotiating at all, whereas your organization deals more directly with employers who are funded by government.

First of all, we had some difficulty getting our arms around what do we do in these situations? For instance, hospital workers, in the minds of the public, are considered to be civil servants, no different than in some cases the public sector people that work for the Crowns, even though we are not the direct employer.

Through the Manitoba Health Organization, the MHO, of course, take their mandate very seriously, and they want to negotiate directly, and yet we are the funding agency. So I guess the question is, to what extent could we maintain consistency and yet try to provide for those negotiations that I am being led to believe really have not gone on to a great extent outside of our direct involvement with particularly the MGEU?

Mr. Hamilton: I think partially the negotiations have not been implemented because many people were served with notice that Bill 22 would be implemented before they got their budgets for the year, so substantive negotiations were very difficult.

I would further suggest that because the government of Manitoba has poisoned its labour relations with MGEU does not mean that the rest of the public sector would necessarily have the same set of relationships with their employers.

I think there were options, particularly on the revenue side, and like I say, I think there were ways to frame it up.

Mr. Manness: Well, the options on the revenue side, sir, I am sorry, that is the government's prerogative, and it makes those decisions based purely on the promises it made to people and to Manitobans and other decisions.

I am more concerned, I am genuinely concerned, because the bill calls and mandates that employees represented by whomever, and indeed employers, are to be given 30 days. I mean, it is mandated in the bill to try and negotiate this so that Bill 22 does not need to be applied.

I guess what I am hearing at the committee is that particularly in the public sector, outside of the civil service, in a lot of cases not a lot of negotiating went on. Is that a fair statement?

Mr. Hamilton: I certainly cannot speak on a workplace-by-workplace basis where negotiations have happened, but I think a 30-day time line at the end of which the employer can unilaterally impose whatever conditions they like is not really negotiation. It is merely basically a discussion of what will happen. So I do not really see that as setting up an environment in which true negotiations can occur.

The Acting Chairperson (Mr. Penner): I would ask that the two members engaging in debate across the table would take their debate outside the room if they choose to continue it. Thank you.

Mr. Manness: I am disappointed to hear that, Mr. Acting Chairperson, because I do not have to tell Mr. Hamilton that the interest clock keeps—and every government today does not have the luxury of letting—the old way used to be, let these negotiations go on forever and a day and there are always other means of ultimately finding an answer or a judgment. But even, indeed, Bill 48, brought down by Premier Rae after several months of trying, still had a fixed time, and ultimately we are elected to make tough decisions. So you might say that 30 days is not enough. Would you say how many days might be enough?

Mr. Hamilton: I am not going to say that the imposition of any time line, when you are talking about the ability of the employer to make a unilateral decision at the end of it, is adequate. I mean, that is just a false choice.

Mr. Manness: And you fully understand that we are, under the rule of democracy, elected to govern and make these very difficult decisions. In a lot of cases we cannot let the time just slip away. You understand that also.

Mr. Hamilton: I certainly understand there are tough choices to be made, and I understand that this government sat down to negotiate collective agreements a number of years ago, and I do not imagine the numbers have changed that dramatically in recent years. If they have, I suggest they are probably as a result of poor economic planning. Perhaps if you had bargained agreements with this inevitability in mind, we would be looking at a different scenario, but to pull Bill 22

out of the back pocket and suggest that it has not been on the agenda for quite some time, I do not think you are fooling anybody.

The Acting Chairperson (Mr. Penner): I am going to ask the members that are waiting to make presentations, if they want to engage in conversations, could they please do so outside the room. It is disturbing the presenters at the table here. Thank you very much.

Mr. Manness: Mr. Acting Chairperson, a few years ago, I, as a government, came up with a unique model, not wanting to tie itself and being very concerned about revenues, to make the second or third year of agreements based on the revenue coming to government. The public sector unions at the time, particularly MGEU and indeed also the Manitoba Medical Association, wanted no part of that. Do you think that would be fairer to resuscitate that type of model and put it forward? I mean, again, because we do not know for sure where we are going in this, the revenues generating from an uncertain economy in the future, and that is a national issue. Do you think that would be a fairer way this year?

The Acting Chairperson (Mr. Penner): I am going to, Mr. Hamilton, interject here. I am going to ask one more time that those people in the back of the room engaging in conversation, would you please do so outside the room, so that the presentations may proceed in an orderly manner? Thank you very much.

* (1600)

Mr. Hamilton: I would agree that the state of our economy certainly is a national issue, and I do not presume that it can all be solved, you know, within the confines of this Legislature. I cannot speak for what the Manitoba Medical Association has done or will buy in or has been resistant to, or MGEU, but simply that we have to look at the revenue side. We certainly have to look at the expenditure side, and we need to do that in a way that encourages partnership in negotiation and not unilateral imposition.

Mr. Martindale: Mr. Acting Chairperson, I would like to ask Mr. Hamilton some questions about his comments on the effects of delivery of social services and particularly Child and Family Services. Since you work in the north end and since I represent about half of the north end through Burrows constituency, I guess we both

have a great concern about delivery of services, particularly to children.

I would like to know specifically what your concern is about the effects of Bill 22, particularly on Winnipeg Child and Family Services and on the clients that they are attempting to deliver service to. Maybe you could expand on your comments on the effects of the delivery of social services just briefly, and then I have a couple of other questions.

Mr. Hamilton: Individually, I am no longer working with Child and Family Services, but I think it is fair to say that, at least from my perspective, the most serious impact is that which I alluded to. When night duty staff are on, there are maybe a half dozen people covering the entire city. They simply cannot take the time to look at a situation in the same depth that the normal case worker who is familiar with the family and situation can. As a result, sometimes they have to play it better safe than sorry or make a snap decision, and kids come into care.

The way the system is structured, and there are people around the table who can tell you this, it is a lot easier to take a kid into care than it is to get them out, and it is certainly a lot more costly to have them in care. It is simply not, in my mind, necessary to bring these children into care if we put the services in place that should be there.

Mr. Martindale: Mr. Hamilton, are you concerned that there will be fewer resources that will be preventative in nature and that will keep families together as opposed to having a limited number of resources, particularly on Fridays, which may lead to apprehension as opposed to providing resources to families to keep them together?

Mr. Hamilton: I think clearly that is the concern. Fridays are already notorious among Child and Family workers, and often Mondays are a really busy day anyway. With a three- or four-day weekend, coming back it can be a pretty scary thought in terms of what you have to sort out on a Monday.

That is just one dimension of an assault that has really happened on the inner city, you know, the reduction in terms of other services like MAPO, the reduction of daycare services, the fact that some school-age daycares are on the verge of closing their doors, the property tax credit reduction that has impacted on seniors who own their own homes in the north end. These are all sort of things that

are sort of piling up, and the agencies that are there are stretched pretty thin.

Mr. Plozman: Just one question, you raise some points about the revenue side and surtaxes and the Choices budget and so on. One of the things, of course, is that the Minister of Finance made several choices. He even stated the revenue side is the prerogative of government when they make those decisions, and I think that it might be worth asking you whether you know whether in arriving at his \$862-million deficit last year, the highest in the province's history, whether you knew that this Minister of Finance made a choice. This is according to one of the accountants who sat in the cabinet of this government and who said it was \$862 million not the \$762 reported by this Finance minister. This is easily \$300 million higher than the closest deficit ever in the history of this province.

What I want to ask you is whether you knew that this Finance minister in arriving at that decision made the choice to lower the payroll tax, to lower corporate taxes, to cut mining taxes, to lower the high-income surtax, to spend millions in private training dollars and, of course, at the same time, to throw a \$75 tax on every property owner this year. Did you know that in fact this minister made those choices in arriving at that deficit?

Mr. Manness: No, the deficit is \$367 million, you dummy; you cannot get anything right, can you?

The Acting Chairperson (Mr. Penner): Order, please.

Mr. Hamilton: I think you know it is pretty clear that a number of—excuse me. I think it is pretty clear we have forgone some revenues, particularly those that apply to the corporate sector and people who are making \$70,000 a year or more, and the concern I have is it is part of a national trend. You know back when the Rowel-Sirois commission was fooling around with the whole idea of the social safety net, the initial concept was that the corporate sector would pay half the shot for government services and individuals would pay the other half.

Well, that has changed dramatically. I mean we are looking at, you know, it is an 80 percent, 20 percent in favour of the corporations, or 85 percent that we are carrying as individuals, and whenever we talk about tax exhaustion, we are always talking about personal income tax levels and so on and so forth, and we never really look at the corporate revenue side, and that is disturbing to me.

We preclude ourselves from looking at it by promoting ideas like NAFTA, by promoting the idea of the Free Trade Agreement. We are seeing collective agreements reduced to the lowest common denominator. We are seeing our health care system—basically, we are paying millions of dollars to health care consultants to come in and tell us how to have a worse health care system. That makes no sense to me. So there are a number of choices that are being made that disturb me. Some of them are made by the Finance minister; some are made by other ministers.

Mr. Plozman: The interesting point, of course, is that the Finance minister made these corporate tax cuts under the guise of stimulating the economy and still arrived at an \$862-million deficit last year. Obviously, this has not worked.

What you are suggesting is that these taxes—I will ask you if you agree that these taxes in the corporate sector and the high-income surtax, for example, could have been maintained to give essential revenue to the province to maintain these programs? Would that have been a better choice?

Mr. Manness: We never changed the surtax.

Mr. Plozman: Yes, you did in '88. Go look back to your first budget.

Mr. Manness: You are a dummy.

Mr. Plozman: You are a dummy.

Mr. Manness: You do not know what you are talking about. Tell the truth.

The Acting Chairperson (Mr. Penner): Order, please.

Point of Order

Mr. Ashton: Mr. Acting Chairperson, just on a point of order, we have certain rules in the House which also apply in a committee and I do not think it is in order for the Minister of Finance (Mr. Manness) to call another member of the committee a dummy or suggest that any member of this committee is stupid.

I really think at a time when our political—[interjection] Well, it is a point of order; it is unparliamentary language—but at a time when our political process is very much being called into question, this does not do very much to raise the level of debate. I would ask you perhaps to call the Minister of Finance to order and ask him not to engage in this kind of rather low-level insulting—

The Acting Chairperson (Mr. Penner): Thank you, Mr. Ashton. You did not have a point of order. Mr. Minister on the same point of order.

Mr. Manness: Yes, Mr. Acting Chairperson, I will certainly apologize to the member for Dauphin (Mr. Plozman). I only ask that he reads the '88 budget, because if he does, he will not be able to find one word that makes reference to a reduction in the surtax.

I have not changed the surtax that has been in place, imposed by the NDP government in the '87 budget. I have not changed it one bit in six budgets and the member for Dauphin knows that, but I apologize to him for using the names and I apologize to the audience.

The Acting Chairperson (Mr. Penner): Thank you, Mr. Minister.

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The Acting Chairperson (Mr. Penner): Mr. Plozman, I am going to allow one more question simply because of the point of order raised and the time consumed by it.

Mr. Plozman: It is interesting to note that the minister has not refuted that he cut the mining tax, the corporate tax rate, provided millions in private training dollars. All of those, Mr. Acting Chairperson, have left money—and the payroll tax, and now he is going to say, oh, I did not do that either. The fact is we have left hundreds of millions of dollars on the table.

The Acting Chairperson (Mr. Penner): Order, Mr. Plozman. I am going to ask all members of the committee to refrain from interjecting, and I am going to ask the member for Dauphin to shorten his question because we are out of time.

Mr. Plozman: That is fine. Just leave it.

* (1610)

The Acting Chairperson (Mr. Penner): Thank you, Mr. Hamilton, for your presentation.

I call now Kevin O'Toole. Kevin O'Toole? Not here. I call next Garry and Jacqueline McFarlane—Paul Moist, I am sorry. Is Paul Moist here? Not here. Garry and Jacqueline McFarlane, are they here? No. Heather Unfried, is she here? No. William Sumerlus, is he here? William Sumerlus, will you come forward, please. Have you a written presentation? Thank you. Would you proceed, please.

Mr. William Sumerlus (Private Citizen): Thank you, Mr. Acting Chairperson, members of the committee. As you will find summarized in the written presentation, it is my submission that in addition to the financial hardship imposed on families by Bill 22, another serious and, from my perspective, a negative consequence of the bill is its effect on seniority rights generally and the collective bargaining system.

By superseding collective agreements made between the parties bargained at arm's length and in good faith, and by eliminating the concept of layoff from the leaves of absence without pay, I submit that the bill seriously detracts from the seniority system.

Now, the importance of this system, I submit, is clear from numerous labour law texts and arbitration decisions which has basically governed labour relations. In Canadian Labour Arbitration, a sort of a popular labour arbitration text, Brown and Beatty, the authors, note: Seniority systems are an integral part of virtually every collective agreement. They serve the twofold purpose of defining who is eligible for certain monetary and fringe benefits provided for in the collective agreement and of determining an employee's entitlement to a particular job in such contexts as promotions, transfers and layoffs.

A decision which came down some time ago—it is called *Re: United Electrical Workers, Local 512 and Tung-Sol of Canada, Ltd.* It is an arbitration decision. In that decision the arbitrator deals with the significance or the importance of the seniority system, and he notes at page 162: Seniority is one of the most important and far-reaching benefits which the trade union movement has been able to secure for its members by virtue of the collective bargaining process.

An employee's seniority under the terms of the collective agreement gives rise to such important rights as relief from layoff, right to recall to employment, vacations, vacation pay and pension rights, to name only a few. It follows, therefore, that an employee's seniority should only be affected by clear language in the collective agreement.

Now, whether one disagrees or agrees with the seniority system, its proper application removes the potential for arbitrary, discriminatory or unreasonable decisions by employers and management affecting workers. Decisions of this

nature will not automatically begin occurring as a result of Bill 22. However, the fact that the protections of the seniority system are no longer in place as a result of the bill, I submit that decisions of this nature, that is, decisions of an arbitrary, discriminatory or unreasonable nature, are certainly more apt to occur now than before the bill.

In that regard, the fact that a manager no longer has to be concerned with the seniority provisions of the collective bargaining arrangement under which labour is regulated means that certain employees may be singled out for leaves of absence on the basis of improper or non-business-related motives.

This possibility is even further enhanced by virtue of the fact that the act further eliminates one of the most basic elements of labour relations, that is, collective bargaining. The importance of the collective bargaining provisions in our Labour Relations Act, and throughout labour relations generally, are seen at Section 60 of our act.

It reads: Where a union has been certified as the bargaining agent for employees in a unit, and no collective agreement with the employer, binding on or entered into on behalf of employees in a unit, is in force:

(a) the bargaining agent may, by notice, require the employer to commence collective bargaining; or

(b) the employer or an employer's organization representing the employer may, by notice, require the bargaining agent to commence collective bargaining with a view to the conclusion of a collective agreement.

Going on briefly, Section 62 of our act reads: Where notice to commence collective bargaining has been given under Section 60, the certified bargaining agent and the employer, or employer's organization representing the employer, shall without delay, but in any case, within 10 days after notice was given, or such further time as the parties may agree, meet and commence, or cause authorized agents or representatives on their behalf to meet and commence to bargain collectively—and I think this is the important part—in good faith with one another, and shall make every reasonable effort to conclude a collective agreement.

Those are mandated protections by The Labour Relations Act. If an employer intends to take advantage of the provisions of Bill 22, it is required,

in the calendar year in which the 12-month period commences, to serve notice of intention to reduce the workday or week on the union representing the employees to be affected.

The notice, according to Section 5(1)(a) of the act, must specify the total number of days of leave without pay employees will be required to take during the 12-month period, and must request that consultation with the union commence. Obviously, the purpose of the consultations is so that the employer and the union might reach an agreement as to the number of days without pay that each employee must take, when those days are to be taken and the manner and frequency of deduction of pay from the employee's wages and in connection with the leave and any other matter the union or the employer consider relevant.

The problem is, I submit, ultimately, if within the 30 days no agreement is reached, the employer has the authority on its own to make these determinations. So that, really, there is no requirement, legislative, on the employer to enter into meaningful negotiations with the union concerning the implementation of the reduced workweek and reduced compensation.

So I think that the effects of the bill are somewhat further reaching in terms of the entire collective bargaining process than are necessary. I would submit—and according to the act the employer must consult with the bargaining agent, but there is no requirement that these consultations be conducted in good faith. That is something which the Legislature and the Legislatures across the country, actually, mandate in collective bargaining, that is good-faith bargaining.

The provisions of The Labour Relations Act regarding collective bargaining are essential to labour relations. This bill undermines those provisions in relation to collective bargaining and the mandate of good-faith bargaining. The importance of good-faith bargaining, that is to say realistic and meaningful negotiations, has been the subject of numerous labour board decisions and commentaries. There is a sort of a text, which is like a bible for labour board practice, and that is called Canadian Labour Law. It is done by Justice George Adams of the Ontario Court of Justice.

He notes at page 1,092 of that text, the purpose of collective bargaining legislation is to bring the parties to the bargaining table where they will

present their proposals, articulate supporting arguments and search for common ground, which can serve as a basis for a collective agreement. The underlying philosophy of the duty also embraces a freedom of contract rationale that the parties are best able to determine the content of their agreement, and failing agreement, each has recourse to economic sanctions.

Then, in describing the duty further at page 1093, Mr. Justice Adams notes an employer is therefore forbidden from making unilateral changes in the terms and conditions of employment in such areas and regarding significant issues until the matter or its impact on the employees has been bargained with the trade union.

So by eliminating the requirement from meaningful negotiations with the union representing employees to be affected by the leaves without pay, the bill eliminates another fundamental principle of labour relations recognized by labour boards and legislatures across the country. The elimination of fundamental principles such as these, I submit, cannot but drastically change the nature and process of labour relations in the province, and I submit it will do so detrimentally.

It is respectfully submitted, as indicated, that it should in that respect be withdrawn. I guess the point of the submission is that, although it does not necessarily happen as a result of this process, the entitlement or the fact that employers are unable to ultimately mandate what is done without the necessity of entering into meaningful negotiations leaves, I submit, the possibility for abuse.

*(1620)

The other possibility, I submit, which is left open for abuse by virtue of these provisions is the fact that it means that the bill mandates that the leaves without pay will not be considered layoffs. The fact that they will not be considered layoffs means that—and although it is not necessary, it does not necessarily happen, but my point is that very possibly could happen, that, of course, the seniority systems are going to be not paid attention to, but that employees can be singled out.

I am not saying that all employers will do this, but I am saying the possibility, the protections of the seniority system gone, it is possible. It can happen that these leaves are imposed on people for other than business reasons, and I would submit in that

respect that that aspect as well should be withdrawn.

The Acting Chairperson (Mr. Penner): Thank you very much, Mr. Sumerlus.

Mr. Manness: Mr. Sumerlus, is that the correct pronunciation?

Mr. Sumerlus: Yes, it is.

Mr. Manness: I understand what you are saying. You are saying that the threat of legislation takes away good-faith bargaining, just the threat of it, just the threat of something out there hanging over as a cloud.

What is the higher order here? Let us not deal with Manitoba. I hate to even deal with it, but I will. I will deal with Ontario, even though this is not their bill, this is not Bill 48. The reality is that if the Rae government does not push through that legislation, the Canadian dollar could drop as much as 10 cents. I can tell you that I have been to New York, and everybody in the financial circles is tied completely into whether or not that government is successful in pushing that bill through and finding the \$2-billion savings on the social contract.

If it does not happen, this nation will go into a financial crisis unseen in our lifetime. What is of the higher order, because there has to be something of a higher order? Is it the fact that the fiscal imperative of the nation becomes No. 1 in this case, and therefore free collective bargaining ultimately becomes subservient to No. 2, because there cannot be a tie. It is one or the other.

I say to you, do you believe that even given your strong arguments, which I understand, do you believe that in all circumstances it is of the highest order?

Mr. Sumerlus: I am not a financial analyst, Mr. Minister. I cannot comment on what the net effect will be or what the potential will be or what may be. I can only tell you that I am aware on a daily basis of the importance of free collective bargaining and, in fact, real collective bargaining. In that respect, I can only comment in that regard in terms of my limited experience.

My limited experience is that the effects of the loss of the free collective bargaining and the good faith aspect of that collective bargaining will have serious consequences on labour relations, and that is the only perspective I can speak from. I am unable to—

Mr. Manness: Mr. Acting Chairperson, I understand that. I feel badly that you will not comment beyond that, because it is always great to be able to hide in comfort. But I do not have that privilege. I have to take into account all of the extraneous, some would say, influences that come to bear. As somebody who is the fiscal steward of the province, given that responsibility, I mean these are the questions that I am asked. I am on the verge of being unable to borrow more money and of course the impact of that—I cannot convince people what the impact is if all of a sudden I cannot float a \$300-million or \$500-million loan, the direct impact on the public sector, indeed the services provided to people.

Would you at least acknowledge that somebody in my position has to take into account those other pieces of information and ultimately has to make a recommendation to the government to take action in certain directions? Can you at least acknowledge that that is what I am charged to do and that is my responsibility?

Mr. Sumerlus: Yes, I appreciate your responsibilities. However, I can indicate that, again, I had intended to—I had hoped that the committee would be prepared to consider at least some changes to this legislation perhaps within its framework if it is intended to go ahead. My first submission, of course, is that it should be withdrawn and that it should be up to the parties. But at least do not mandate, do not destroy the seniority system and do not eliminate good faith bargaining. Make an agreement a requirement, make an agreement between the union and the employer a requirement. Do not just leave it up to the employer.

Mr. Manness: Again, Mr. Acting Chair, I would ask maybe another time, even tomorrow or the weekend, how we could do that. I did not get the detail, the understanding of that, within the text. But I am mindful of how hard a former top civil servant of the former administration in the Province of Manitoba, one Michael Decter, tried to do in the Ontario sense, how he worked, literally, for weeks leading into months to try to negotiate an agreement between labour and management. Ultimately, the government of the day had to bring in legislation. Is that what you are referring to? Are you referring that we should put into place a negotiator who was going to try and find that solution?

Mr. Sumerlus: I am not, Mr. Minister. What I am recommending is that the agreement, that the collective bargaining process be left intact essentially, that it be left to the parties to negotiate any agreement.

Mr. Manness: Okay. One of the parties is the provincial government, particularly with respect to the MGEU. How much time do I give myself and Mr. Olfert to come to an agreement?

Mr. Sumerlus: Well, I think that is part of the—
[interjection]

The Acting Chairperson (Mr. Penner): Order, please.

Mr. Sumerlus: I think that it is important to give the parties sufficient time as to come to a proper agreement rather than simply impose a 30-day time period.

Mr. Ashton: Mr. Acting Chairperson, I find these increasingly sort of almost philosophical discussions the Minister of Finance (Mr. Manness) is introducing on the debate rather interesting, particularly focusing on the concern about the time limit. I think the record would show there was no attempt to negotiate in any way, shape or form. The government brought in legislation, and what we currently are seeing is, even under the bill—I mean the 30-day period is not negotiation. I just want to deal with that because I think you put the whole bill in the context of collective bargaining.

Is it not the case that under collective bargaining you still have management rights? You still have the ability of management, in any situation, to make changes in terms of workforce, staffing, even within a collective agreement, and is that not really as much the essence of what we are talking about here?

I mean, the government essentially has closed collective agreements that were negotiated and agreed to, has other options, always has other options; but they have chosen, instead of exercising options within the collective agreement and instead of trying to renegotiate the existing collective agreements—have decided to legislate. Essentially, the provisions that are in here for “negotiations” are really nothing more than dealing with a fait accompli.

Mr. Sumerlus: Yes, those are some of the serious concerns that I have concerning the legislation.

Mr. Ashton: In fact, I really want to focus in on that because the Minister of Finance keeps—we are getting increasingly broad strokes in this committee of how dire this alternative was as compared to Bill 22 or that alternative was to Bill 22. Was there not the ability in our existing collective agreements, various ones within the public sector, for the government to sit down and attempt to negotiate, even where you had collective agreements in place, to either negotiate changes to those collective agreements, perhaps involving job security or some of the other concerns, or to take action within the collective agreements under managing rights?

I point, for example, to Hydro where currently the management, without Bill 22, has just decided to eliminate 480 positions. Is there not a lot more than what the Minister of Finance is painting his options than Bill 22?

* (1630)

Mr. Sumerlus: That is the strength, I think, of the collective bargaining process that is in existence right now. I can advise that those concerns which are expressed, I think, are sincere; I think they are serious.

Mr. Ashton: I really want to focus in on that because, to my mind, I think one of the problems with what the government is doing is that it has no understanding of the collective bargaining process. Essentially, it is now, as you pointed out very well in the brief, totally moved away from any established precedents in terms of collective bargaining.

I just want to focus on some comments you made about how this impacts in the workplace. You talked about some possible application in seniority, but from the labour relations perspective, does this kind of thing happen without any consequences? Can you come in and just rewrite an agreement without having some consequences down the line in terms of morale, in terms of further negotiation, or is this going to have a cost at some other point in time?

Mr. Sumerlus: I think that is the problem in terms of the ultimate effect of this legislation and that it is the sort of thing that will drastically affect the tenor and the nature of labour relations. I see it carrying forward in terms of future conduct and in terms of future labour relations between public sector employers and employees in this province.

The Acting Chairperson (Mr. Penner): Thank you very much, Mr. Sumerlus, for your presentation. The committee calls next Mr. Patrick McDonnell.

Point of Order

Mr. Alcock: Mr. Acting Chairperson, just on a point of order, I note that, on the list of presenters, No. 25 is the *Educatrices et éducateurs francophones du Manitoba*. I understand, I have just been informed that it is their intention to present in French, and they are requesting translation.

I understand from earlier discussions with the Speaker that while we would not be providing simultaneous translation on our proceedings, as we do not; but, if somebody requested it, we would be. I am just wondering whether it would be possible to assure these presenters that they will have those services on Monday.

The Acting Chairperson (Mr. Penner): Thank you, Mr. Alcock.

Mr. Ashton: Just on the same point of order, it was my intention to raise the same matter at the end of our proceedings and [interjection] Oh, no, it is a concern. It does not really matter who raises it. We are obviously having further meetings of the committee on Monday and also Tuesday. I am wondering if we could not, prior to the ending of this sitting, make an agreement to make such arrangements available.

Certainly, I think it is in keeping with our general intent in terms of French language services. I know we have done it in the past, and I think it is a reasonable approach. Mr. Acting Chairperson, I think basically we should perhaps consider it.

I realize there have been concerns [interjection] Well, the minister—

The Acting Chairperson (Mr. Penner): Mr. Ashton, I am going to interject because both of you did not have a point of order. You did, however, have a point of procedure. I am willing to reflect on that point of procedure. As Chairperson, I must remind both of the members that both of your parties were present at a Legislative Assembly Management Commission meeting that agreed that the Legislative Assembly continue with its long-standing practice that simultaneous interpretation service not be provided to standing and special committees.

I want to remind Mr. Ashton that he is also a member of that committee. I want to remind Mr. Alcock that their party also has membership on that committee which agreed to this practice. This committee will continue with that practice as long as the LAMC committee has not changed its mind on that.

Therefore, we will allow the presentation to be made in a different language than English. It will be heard, and it will be translated in written form for the people that cannot understand or read French to be read. So, therefore, I would suggest that we continue with the presentations, unless you want to continue this debate for some length in time.

I cannot, as Chairperson, allow for any deviation from what the Legislative Management Commission has agreed to.

Mr. Alcock: Well, Mr. Acting Chairperson, I must say I have not been a member of the LAMC for the last couple of years, and it may have been altered in that time, but at the meeting I was at some years ago, it was agreed that there would not be simultaneous translations in the proceedings of the Legislature outside of Question Period unless somebody served notice that they wished to make a presentation.

So I appreciate that the Chairperson does not have the ability, but I would hope that until we get this sorted out—and I intend to raise it with the Speaker who, I think, has some responsibilities in a matter of this sort—but that this group not lose their place in the order and be allowed at least the opportunity to have their case heard for translation before they get bumped off the list in making their presentation.

It seems ridiculous to bring somebody forward and make a presentation so we can ask questions to them, and we are not able to ask questions to them because we will not have translation until sometime after they have made their presentation.

The Acting Chairperson (Mr. Penner): Thank you, Mr. Alcock, for your opinion. I am going to hear Mr. Ashton's opinion on this matter as well.

Mr. Ashton: Mr. Acting Chairperson, I recognize what the Minister of Finance is saying in terms of the fact that on a normal basis, certainly within the Legislature, we do not always have simultaneous translation available. We have a situation in the Legislature where, when notice is provided, we do put in the translation. In this particular case, I think

if the committee so desires, I think the committee could make that request. The committee is the master of its own destiny. LAMC has no jurisdiction over the committee.

I mean, if we make a decision in LAMC in regard to time limits, that does not impact on the committee. The committee does have some jurisdiction over its own affairs, and I think what is happening in this case is the request for the translation. It is not the normal situation. I think the reasonable thing to do is perhaps ask if you, Sir, as the Chair of the committee might perhaps, as was suggested by the Liberal member, talk to the Speaker, see if there are any potential logistical problems.

Perhaps if we could report back to the committee on Monday we can deal with it in terms of House leaders, in terms of LAMC, but I think what the member for Osborne (Mr. Alcock) suggests in the meantime is a legitimate one, that the group remain in the same position on the order relatively speaking. I think we should see if there is anything that can be done to accommodate the group in this particular circumstance.

The Acting Chairperson (Mr. Penner): Mr. Ashton, might I remind you that the decision was an LAMC decision which you are a member of. If you are asking me, Mr. Ashton, to ask the Speaker to put this on an agenda at some future point for reconsideration, I can certainly do that, and I am quite willing to do so as Chairperson of this committee. I will ask the Speaker whether we want to put that on some future agenda for consideration of change of rules for interpretation, and I will do so.

Mr. Ashton: What I am suggesting in this particular case is that a request has been made, and we deal with the request. It is not part of our rules, Mr. Acting Chairperson, in the direct sense. My understanding, too, is that where people did request it, that would be made available. [interjection] Well, I have a different interpretation.

Quite frankly, whatever decision was made in LAMC, LAMC makes decisions all the time. It changes decisions all the time. I am suggesting in this particular case it is a reasonable request, and what I am requesting is some discussion with the Speaker on the logistics. If the problem is logistics in providing it, then that is one problem. If the problem, Mr. Acting Chairperson, is however with jurisdiction, that can be dealt with.

I think it is a reasonable request, and all I am asking in that sense is not that it be referred to a meeting in LAMC, but there be some discussions with the Speaker to see if logistically it could be made available. Then perhaps we could make that decision either in this committee or as House leaders or generally.

I do not think there is any desire of the members of the committee not to accommodate if it is at all possible, and I am sure the government is in the same position. So I am just suggesting that we check the logistics, perhaps revisit this on Monday, and if it is not a problem with logistics, we can deal with any jurisdictional questions.

The Acting Chairperson (Mr. Penner): Thank you, Mr. Ashton, and I will remind you once again that you were a member and your party was a member of the Legislative Assembly Management Commission, the same as I am, and other members of all parties are. The decision was made as of April 29, 1993, that no changes should be made. I think there was unanimous agreement at that committee to continue with the established practice of translation. That will remain, Mr. Ashton.

* * *

The Acting Chairperson (Mr. Penner): I will ask Mr. Patrick McDonnell to come forward. Mr. McDonnell, have you a written presentation for the committee?

Mr. Patrick McDonnell (Private Citizen): Ce n'est pas un bon jour pour la province du Manitoba. Premièrement, une langue officielle est morte dans cette salle, et la démocratie est malade aussi ici.

[Translation]

It is not a good day for the province of Manitoba. First an official language is dead in this room, and democracy is also sick here.

[English]

* (1640)

I do not have one that I can share with you, Mr. Acting Chairperson. I do not have the facilities at home to prepare one, and being a government employée, I did not want to incur the expense of doing that to the people of Manitoba when you can read it in Hansard. Thank you.

Max Braithwaite, some time ago, in the late '60s, wrote a book, *Why Shoot the Teacher?* He wrote that book about his experiences as a teacher on

the Prairies during the Depression, during the '30s. That is right. He went on to be a well-known author and journalist. He wrote about a group that was unorganized, at the mercy of employers and what they went through. Here we are in the '90s, and we could resurrect that book, change the title a little, why shoot the teacher, and why shoot the public servant, because we have come full circle.

I will not pretend that I will starve as a result of Bill 22. Compared to many here, I earn a reasonable salary, a higher salary than a lot of the people that have come to you and explained to you the effects that it will have on them, personally, and their families.

While I make a higher salary compared to them, I am lower compared to industry that I teach for in the community college system and to other provinces. So it is relative.

But it will affect me. My purchasing options are limited, they are narrowed as a result of that, and my contribution to the economy is lessened. I was thinking of some of the things, where I have to make some decisions. I have a son-in-law who recently started a business, helping him out financially, and that financial contribution will be lessened.

But what bothers me most about this bill is the insidious attack on democracy. It is a small wonder, really, that this government did not try to eliminate these hearings altogether, instead of opting for an unprecedented 20-minute time limit. I know you are going to tell me there is precedent, I was there. It was three hours and 40 minutes, and even then, Mr. Minister, you did not get the lesson.

It was not enough for you, Mr. Minister, because you did not learn from it. But I am used to that, I am in the education field. It is unprecedented; you tried to say it was not the other night. Meech Lake and the task force was the only other previous one in my recollection, and even then we were given times to appear, we exceeded those time limits at times and there was no cutting off of discussion.

Even the time limit here is selective. When Ms. Watson from the Manitoba Association of School Trustees spoke, she was allowed to exceed the time limit. It was not questioned on that. But when the president of my union spoke—and he has been quoted many times since and maligned, I would say, since—no questioning was allowed, not even when the next speaker volunteered time.

When you look at history, fascism in Europe or dictatorship in South America, the first group in society that comes under attack is the union movement. Germany, Italy, Chile, Peru, El Salvador and even this very day in Mexico: an attack on unions is the first order of business.

The next loss is the loss of truth, and we have this in Bill 22 in the pronouncements of the government. Some Orwellian examples: We try and teach English in the public school system. The Minister of Education (Mrs. Vodrey) goes out and says—and abuses the English language—we are asking the teachers to take a rollback; we are asking the public employees. This is not "ask." We heard the other day, Manitoba Telephone System: We are closed in support of the government initiative.

There is a real good one I want to share with you—entitlement. This is a memorandum from the Civil Service Commission from the employee compensation and benefits dated June 10, 1993, the author is unimportant: At long last we have received some guidelines pertaining to the administration and implementation of the reduced workweek. Directors will be responsible for—I will not read the whole thing to you—the number of leave days employees are entitled to, and surely it is appropriately taken by each employee—

Floor Comment: I did not write that one.

Mr. McDonnell: I am not so sure.

It gets better. Term employees and seasonal department employees are to be allocated leave days based on the employee's current approved term of employment. Should the employee's employment be extended—which it will, because you cannot do Bill 22 the way you planned. You are hiring casual staff to replace permanent staff in Corrections and services, and you are doing it at a higher cost than if you left the regular employees in there. That financial logic is yours, not mine. But they will be there.

Should an employee's employment be extended, he/she may be entitled to additional leave days.

This government—education and health are priorities. We are closing 800 beds in the city of Winnipeg, by last count.

Floor Comment: Sixteen hospitals.

Mr. McDonnell: We have, yes, but it was a Conservative government that built them when they

were not necessary and put Jacuzzis in houses rather than dental programs, and you are following the same track. This is divine economics we have got here—

Floor Comment: Jacuzzis with an "e" not an "i".

Mr. McDonnell: Jacuzzis—you will call them something else, no doubt, judging by the language that we are experiencing heretofore.

Education and health are priorities. At the same time, \$3.1 million is cut out of the budget of Red River Community College alone. This is a priority. At the same time, increases to the private sector for on-the-job training, floor sweeping, and we have had that experience with CGS, and it is starting to show at Workforce 2000 with the Keystone Ford training programs and so forth, and we know where those come from.

We have another insidious reason for it. At Red River Community College, they had sufficient funds that they would not need to do a 10-day layoff. We suggested, as the representatives—and by the way for the record, I meant to say this at the beginning, not only am I a private citizen but I am first-vice-president of the Manitoba Government Employees' Association, now a union—

Floor Comment: Oh, I did not know that.

Mr. McDonnell: I thought I had made that clear when we attempted to negotiate with you and could not—[interjection] We did try—[interjection] I will come to that later.

We had the money in the budget that there would not be a 10-day layoff there, but they had to do it, and the 10-day layoff of staff at Red River Community College is to cover the bill for severance pay and VSIPs. Anywhere else, it is our central accounts, but there, everyone is taking a 10-day layoff to cover severance. What other employer would get that opportunity? What other employer has the power of the Legislature and uses it, abuses it in fact so malevolently, simply to get their own ends because they prefer to do that rather than negotiate.

Preston Manness, sorry, Clayton Manness, on personal care homes—

Floor Comment: Preston Manness?

Mr. McDonnell: There is very little difference. He is not the employer. This "we have never raised taxes," you have taxed the civil service in Bill 70, you taxed the civil service with the parking

charges—and I am wondering if you are going to give a 10-day rebate on that for the layoffs, we have to pay for the parking for the time we are not there—and you are taxing us again with Bill 22.

You may take great delight, Mr. Minister, in challenging the teachers about the nurses' volunteerism in this program, and I would only point out to you that when you have two hands around your throat and a foot on your chest, it is not exactly volunteerism.

The biggest irony of all, I think, in this Orwellian language is the sign outside the door there, The Standing Committee on Economic Development. This is one for the books.

* (1650)

Mr. Enns: That is what it is.

Mr. McDonnell: In your language, yes, but in the language that the public speak here, Harry—and then we hear about share and fairness.

If you look at the last five years, in fact a little longer, payroll as a government expenditure has decreased. It has gone down. It has gone from about 10.6 points to 9.2, but they are the only contracts that are being affected by Bill 22. If you really want to share, why are you legislating only labour contracts? Why not take, for example, the buildings that you lease from the Tory financial supporters, just down the street kitty-corner to our building, and roll those leases back by 4 percent, and every other contract you have, roll back by 4 percent? Let us see it. Do they share? No. You give corporate tax concessions. Do they share? No. Fairness? Really, I think you have to redefine the word, because when it comes to nurses who are working regular shifts and have to go off—

Mr. Enns: That is his middle name: Clayton "fair" Manness.

Mr. McDonnell: I think you have been eating with the cattle, Harry, you know.

Corrections, security—I was just waiting for a bit of order, sir.

The Acting Chairperson (Mr. Penner): I ask the members to restrain themselves, please. Mr. McDonnell, proceed.

Mr. McDonnell: Thank you. When you have people in jobs, and for administrative convenience because you cannot apply Bill 22 to casual help, you are increasing their workload at the expense of employees who have given you many years of

service, you cannot call it fairness. You cannot call it logic. The Education budget was cut. The Workforce 2000 was increased for in-house training. Portability of that training we have seen with CJS just does not exist.

College diplomas have more portability for the student and for the potential worker than in-house training and should have more portability nationally. This is the route we should be going. So the national standards would be there, and we would be able to face the global economy we hear about rather than going to a parochial approach to training.

But on to negotiations, if every second we met with the government we were told they had a plan, and this plan involved voluntary rollback. We asked how much? Undefined. We then suggested that there must be some quid pro quo. The answer was if we are to agree to an undefined rollback, the government would endeavour to reduce potential layoffs—no figures.

So faced with that firm commitment, we said we had to consult with our membership. We went out to the rural areas to do so. The first meeting was held in Dauphin.

Mr. Manness: Two weeks, you forgot the two weeks.

Mr. McDonnell: Actually, it was less than that because we met with you on the second, and we were out in Dauphin on the 10th.

Mr. Manness: But you forgot that was a two-week period.

Mr. McDonnell: No, we said consult, and you said fair enough.

You asked for that, we told you at that time, two weeks was very hard to set up meetings around the province.

The Acting Chairperson (Mr. Penner): I remind both Mr. Manness and Mr. McDonnell that the clock is ticking, and you have just a bit better than five minutes left.

Mr. McDonnell: Very good. I am sure that Mr. Manness, in his spirit of generosity, will give me the time he has taken up on me.

So we met with one. We were taking our second meeting in The Pas of Manitoba, we got a call from the Minister of Labour (Mr. Praznik) to our president, saying that he might have to make an announcement the next day. We found out he

already had a press conference arranged. This is bargaining in good faith. This is negotiating in good faith.

In that meeting we had with him, and I will quote the Minister of Labour: We will roll back, and we will do it within the collective agreement.

Now, I do not know, can I use the word "lie," or is that unparliamentary?

The Acting Chairperson (Mr. Penner): That is unparliamentary.

Mr. McDonnell: That is unparliamentary. Well, let us say, he was economical with the truth.

We have heard about Ontario from Mr. Manness. I do not know why he has this fixation with Ontario, because Manitoba has done quite well without looking to there, no matter what political stripe they were. If you want an example of how consultation can look, all you have to do is look to 1984 and the government of the day then who negotiated a wage freeze with their employees and, not only that, brought us out of a recession faster than we are going to come out of this one.

The authority for that is the Columbia University recent study that shows the layoff process doubles the time it takes Harry Enns to keep quiet—doubles the time it takes to come out of a recession. Well, the closures are not so much about saving money, because that could have been achieved voluntarily, I think. MATC is a good example of that. But it is about training the public not to expect the services they have come to enjoy in this province from their government.

You can imagine the impact on civil service malaise if they had tried a voluntary route, instead of treating public servants the way they have, something akin to what Mr. Enns scrapes off his boots when he leaves the ranch. I have heard about the impact on pensions. There are two impacts here, less money in the pool for improvements and the direct impact of a smaller pension. I have seen different figures of between \$4.50 and \$6, but what is not being recognized here is with the two-year life of this proposed bill and a 15-day next year and possibly in future years, the cumulative effect can run up to about \$40 a month for pensions.

We proposed to Mr. Pruden, et al, at the Civil Service Commission that out of those savings that those be topped up and we are told with no uncertainty that such would not happen. You

mentioned also to the government of the day, it is not the owner of the province but the trustee of its assets, and some of the savings to achieve this 10-day plan are penny-wise and pound-foolish. The cutbacks in education, for example, which is again, in the global speak of the government of the day, the key to the economic future of this province. We are cutting back highways to achieve this; we are cutting back on maintenance crews. The sealing crews, for example, that tar the expansion joints to the roads, they are going from three to one. In fact, this year there is not one. So as the weather takes it toll on it because of the small savings, we will be paying for that in the long run, and we are not famous for great roads here.

The government is going to ram this bill through because it has no other option, it says. It never tried any other option and I suggest to it that if it is so bankrupt of ideas it should resign and go to the people. Again, if you look at the legislative history of Manitoba in the 30s, with Bracken, we see exactly what we see today in the treatment of civil servants. Your ideas, gentlemen, are 60 years too late and we saw in the 30s, in the Depression, and what it took to get out of that, the results of such simplistic decisions. I thank you for your time.

The Acting Chairperson (Mr. Penner): Thank you very much, Mr. McDonnell. You have two minutes left and I am going to give you two minutes because of the debate that you entered into.

Mr. McDonnell: I appreciate that.

Mr. Ashton: Like injury time in soccer here. I just wanted to focus in on what you said in terms of negotiations, because this government continues to try and suggest that there was an attempt on their part for negotiations, discussions, prior to the imposition of Bill 22. I want you to answer that very clearly on the record as to whether there was any real attempt to negotiate at all prior to the introduction of Bill 22.

Mr. McDonnell: I would suggest that Mr. Praznik was not the only one that was economical with the truth. We met in good faith with the government and heard their story. We deliberated, we presented our point of view, we did not agree with that and we said we had to meet with our membership. We are a democratic organization; I come up for election every two years. I rise or fall on how I represent those members, so I consult with those members.

We were asked, could we do it in two weeks? We explained then no. We had to, we were going around the province. This took more than two weeks logistically to set up and there was no intimation at that time from the Minister of Finance (Mr. Manness), nor the Minister of Labour (Mr. Praznik) that this would be a problem.

We went to Dauphin and had the first meeting there. I returned to Winnipeg, back to work, and left for The Pas Friday afternoon to meet Peter Olfert there. He had got a call at midnight the night before from the Minister of Labour (Mr. Praznik) saying that there was possibly a leak—I would not use the word, quote him exactly, on the leak, but he was meeting with some group and it might come up that we would be looking at a 10-day plan.

He flew back to Winnipeg the next morning and found out that there was a press release already arranged, a press conference that I think was noon that day. That was the sum total of the efforts on the part of this government to negotiate with their employees.

We have heard about morale in the civil service and how low it is. Let me suggest to you there is no morale in the civil service anymore, there is malaise, because we cannot trust this government. We cannot trust our employer. We have an agreement and we have been asked to change that agreement. This was thrown in before we got a chance to even get down to any sort of arguing about that agreement and we asked, why would we get into any other agreement with this government that they can will and have shown no hesitancy in going to the Legislature and using that power that no other employer has any time they feel like it if they do not get their way? It is schoolyard bullying because you pick on the groups that cannot fight back.

The Acting Chairperson (Mr. Penner): Thank you very much, Mr. McDonnell. Your time has expired.

The hour now being—

Mr. McDonnell: That was a short two minutes, Mr. Acting Chairperson. I was watching the clock, and I would say one minute and 37 seconds was all that I got.

The Acting Chairperson (Mr. Penner): In that case, I will allow Mr. Enns one final question.

Mr. Enns: Mr. Acting Chairperson, on just the same question that Mr. Ashton is questioning. It will be an amendment to that question.

Floor Comment: Make it fast, please.

Mr. Enns: I am aware that the Minister of Finance, this government, in an unprecedented way, when he met with you, as he indeed met with members of the opposition and the media, opened the books of Manitoba.

Mr. McDonnell: You did like hell.

The Acting Chairperson (Mr. Penner): We are not allowed to use that.

Mr. Enns: You were aware that our revenues were flat, in fact going down the wrong way. How then, representing the workers of Manitoba, did you agree to a zero increase in 1984, when the government revenues were rising at 9 percent? You ask us and wonder why there is a little cynical attitude, a political attitude, about the politicization of the civil service here in Manitoba. You accepted zero for your workers when the government was getting 9 percent additional revenues and yet you will not give our government the opportunity when we are flat—

Mr. McDonnell: The answer is going to be shown in the question. A very simple answer, in 1984, they did open the books, in 1992-93 they did not. No, sir.

The Acting Chairperson (Mr. Penner): Order.

Mr. McDonnell: What they did in 1993 is show us—

Mr. Enns: A 9 percent increase in revenue and for your workers you accepted zero. You were in bed

with them politically. They are your political That is what you were doing.

The Acting Chairperson (Mr. Penner): Order. The hour now being five o'clock or six minutes after five, committee rise.

COMMITTEE ROSE AT: 5:05 p.m.

WRITTEN SUBMISSION PRESENTED BUT NOT READ

Brief to the Bill 22 Committee

Vocational education like any other programs must have quality instruction to be successful. Unlike regular classroom programs, we must also teach students the skills necessary to become competitive in a rapidly changing technological world. The success of our students depends entirely on the up to date materials and information gained by the teachers. How do we as teachers remain current with the loss of our professional development days?

Vocation advisory committees, made up from education and industry, are advising us to keep current with the new technology, to ensure that the students at graduation have the required knowledge needed to compete in a constantly changing technological world.

Students in vocational programs deserve the best education we can give them and to do this vocational teachers need as much current information as is available.

We ask you to please consider the future of our students and vote against Bill 22.

Janice Wart

Vocational Industrial Teachers' Association