

**Second Session – Forty-First Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**Standing Committee**  
**on**  
**Social and Economic Development**

*Chairperson*  
*Mr. Dennis Smook*  
*Constituency of La Verendrye*

**Vol. LXX No. 5 - 6 p.m., Monday, May 8, 2017**

ISSN 1708-6698

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Forty-First Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
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**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON SOCIAL AND ECONOMIC DEVELOPMENT**

**Monday, May 8, 2017**

**TIME – 6 p.m.**

**LOCATION – Winnipeg, Manitoba**

**CHAIRPERSON – Mr. Dennis Smook  
(La Verendrye)**

**VICE-CHAIRPERSON – Mr. Greg Nesbitt (Riding  
Mountain)**

**ATTENDANCE – 11 QUORUM – 6**

*Members of the Committee present:*

*Hon. Ms. Clarke, Hon. Mrs. Cox, Hon. Messrs.  
Friesen, Gerrard*

*Messrs. Allum, Ewasko, Lindsey, Nesbitt, Smook,  
Swan, Wowchuk*

**APPEARING:**

*Mr. Wab Kinew, MLA for Fort Rouge*

**PUBLIC PRESENTERS:**

*Mr. Aaron Chiu, Doctors Manitoba*

*Ms. Ashley Morello, private citizen*

*Mr. Alex Forcier, private citizen*

*Ms. Kaitlyn Braun, private citizen*

*Ms. Wendy Lundy, private citizen*

*Mr. Kevin Rebeck, Manitoba Federation of  
Labour*

*Ms. Michelle Gawronsky, Manitoba Government  
and General Employees' Union*

*Ms. Claudia Colocho, private citizen*

*Ms. Sandi Mowat, Manitoba Nurses Union*

*Mr. Jonathan Alward, Canadian Federation of  
Independent Business*

*Ms. Beatrice Bruske, United Food and  
Commercial Workers, Local 832*

*Mr. Norm Gould, Manitoba Teachers' Society*

*Mr. Paul Moist, private citizen*

*Ms. Michelle McHale, private citizen*

*Mr. Martin Trudel, private citizen*

*Ms. Kim Ferris, private citizen*

*Mr. Curtis Martel, private citizen*

*Ms. Janet Morrill, private citizen*

*Mr. Robert Chernomas, Manitoba Organization  
of Faculty Associations*

*Mr. John Arthur, The Professional Institute of  
the Public Service of Canada*

*Mr. Ken Woodley, International Brotherhood of  
Electrical Workers, Local 2034*

*Mr. Bob Moroz, Manitoba Association of Health  
Care Professionals*

*Mr. Lee McLeod, Canadian Union of Public  
Employees, Regional Operations*

*Ms. Marianne Hladun, Public Service Alliance  
of Canada*

*Mr. Patrick McDonnell, private citizen*

**WRITTEN SUBMISSIONS:**

*Mark Hudson, University of Manitoba Faculty  
Association*

*Blake Crothers, private citizen*

*Paul McKie, Unifor*

**MATTERS UNDER CONSIDERATION:**

*Bill 28–The Public Services Sustainability Act*

\* \* \*

**Mr. Chairperson:** Good evening. Will the Standing Committee on Social and Economic Development please come to order.

Our first item of business is the election of a Vice-Chairperson. Are there any nominations?

**Hon. Eileen Clarke (Minister of Indigenous and Municipal Relations):** I'd like to nominate Greg Nesbitt.

**Mr. Chairperson:** Greg Nesbitt has been nominated.

Are there any other nominations?

Hearing no other nominations, Greg Nesbitt is elected Vice-Chairperson.

This meeting has been called to consider Bill 28, The Public Services Sustainability Act. We have a number of presenters registered to speak tonight as noted on the list of presenters before you. I would like to inform all in attendance of the provisions in our rules regarding the hour of adjournment. A standing committee meeting to consider a bill must not sit past midnight to hear public presentations or to consider clause by clause of a bill except by unanimous consent of the committee.

I would also note that if necessary, the Standing Committee on Social and Economic Development

will meet again on Tuesday, May the 9th, 2017, at 6 p.m., to continue consideration of Bill 28.

On the topic of determining the order of public presentations, I will note that we have several out-of-town presenters in attendance, marked with an asterisk on the list and we have a number of presenters registered to speak on both Bill 28 and on Bill 29, which is currently being considered by the Standing Committee on Legislative Affairs in room 254. It has been recommended by the House leaders that, for organizational purposes and in attempt to co-ordinate between the two standing committees meeting concurrently this evening, we hear from out-of-town presenters first, followed by out-of-town individuals registered to speak in front of both committees and then hear from the remaining registered individuals, including those Winnipeg presenters registered for both bills.

I would invite the—is that agreed?

**Mr. Andrew Swan (Minto):** Mr. Chairperson, it—I know there's been some discussion and it does make sense because I know we have a lot of people looking to present to both committees. Could you just repeat the order that you would hear people, because I just—there was something that didn't make sense, and I just want to clarify it.

**Mr. Chairperson:** It has been recommended by House leaders that for organizational purposes and in an attempt to co-ordinate between the two standing committees meeting concurrently this evening, we hear from out-of-town presenters first, followed by out-of-town individuals registered to speak in front of both committees, and then hear from the remaining registered individuals, including those Winnipeg presenters registered for both bills.

**Mr. Swan:** I know we're struggling with this because the House leaders did their work and then went away, but if we hear from all the out-of-town presenters in category 1, there's not going to be any out-of-town presenters registered in both.

**Mr. Chairperson:** See, like if I could just continue on with this, I would—the individuals registered to speak in front of—okay, in response to your—the presenters that are speaking to both bills—so Bill 29 will be in the other room while we're listening to the Bill 28 presenters here.

**Mr. Swan:** I thank the Chairperson for that clarification, and I think we're ready to proceed.

**Mr. Chairperson:** Is that agreed? *[Agreed]*

I would invite the individuals registered to speak in front of both committees to proceed immediately to room 254 first to present to Bill 29 and then return to room 255 once they are done.

Written submissions: Written submissions on Bill 28 from the following persons have been received and distributed to committee members: Mark Hudson, University of Manitoba Faculty Association; Blake Crothers, private citizen; Paul McKie, Unifor.

Does the committee agree to receive these documents and have them appear in the Hansard transcript of this meeting? *[Agreed]*

Public presentations guidelines: Before we proceed with presentations, we do have a number of other items and points of information to consider.

First of all, if there is anyone else in the audience who would like to make a presentation this evening, please register with the staff at the entrance of the room.

Also, for the information of all presenters, while written versions of presentations are not required, if you are going to accompany your presentation with written materials, we ask that you provide 20 copies. If you need help with photocopying, please speak with our staff.

As well, in accordance with our rules, a time limit of 10 minutes has been allotted for presentations, with another five minutes allowed for questions from committee members.

If a presenter is not in attendance when their name is called, they will be dropped to the bottom of the list. Of course, we will keep remind—in mind tonight's situation. If the presenter is not in attendance when their name is called a second time, they will be removed from the presenters' list.

Speaking in committee: Prior to proceeding with public presentations, I would like to advice members of the public regarding the process for speaking in committee. The proceedings of our meetings are recorded in order to provide a verbatim transcript each time somebody—someone wishes to speak. Whether it be an MLA or presenter, I first have to say the person's name. That is signal for the Hansard recorder to turn the mics on and off.

I would also like to remind the members of the public who are observing committee meetings to

please not disturb the committee proceedings by applauding or commenting from the audience. Taking of photographs are not permitted from the public gallery as well as any audio-video recordings, and please ensure that your phones are on silent mode.

Thank you for your patience. We will now proceed with the public presentations.

\* (18:10)

**Bill 28—The Public Services Sustainability Act**

**Mr. Chairperson:** I will—okay, I will now call our first out-of-town presenter, Dr. Aaron Chiu, Doctors Manitoba.

Do you have any written materials for distribution to the committee?

**Mr. Aaron Chiu (Doctors Manitoba):** Yes I do, Mr. Chairperson.

**Mr. Chairperson:** When you are ready, you may proceed with your presentation.

**Mr. Chiu:** Thank you, Mr. Chairperson and honourable members of the standing committee.

I am here on behalf of Doctors Manitoba. Our physicians' medical association represents all physicians in Manitoba, as well as resident physicians and medical students.

My name is Aaron Chiu. I am a neonatal intensive care specialist and the president of Doctors Manitoba.

Our association strongly opposes Bill 28. We respectfully submit that Bill 28, particularly part 3, will seriously affect the ability of our province to retain and recruit physicians. By precluding good-faith negotiation and arbitration, Bill 28 will worsen further Manitoba's limited physician supply, which already stands below the Canadian average.

The provincial government highlighted the shortage of physicians in Manitoba during its election campaign. Once in government, physician recruitment and retention remained a priority, as highlighted in the Speech from the Throne and in numerous media interviews. Our government is correct about our provincial physician shortfall. Indeed, the Association of Manitoba Municipalities has concluded that over 90 per cent of its municipalities have a physician shortage. According to the Canadian Institute of Health Information, in 2015, Manitoba was the province with the third

lowest number of physicians per capita. According to OECD health statistics, the Canadian average for physician resources, 2.5 physicians per 1,000 population. In 2016, our College of Physicians and Surgeons recorded 2,768 practising physicians in Manitoba or only 2.1 physicians per 1,000 population, well below the Canadian average of 2.5.

Through unilateral government action, Bill 28 will impose compensation freezes for the four years after the expiration of our current medical master agreement. Good-faith negotiations will cease to exist under Bill 28. Furthermore, the proposed legislation will neuter the binding arbitration process that the Province of Manitoba has agreed to and our current master agreement and agreements going back to 1998. History tells us what will happen once Bill 28 is implemented. Our provincial government in 1993 took similar type of unilateral action. The result was an exodus of physicians from Manitoba. The number of physicians decreased by nearly 6 per cent in the few years following the unilateral action.

Physician retention and recruitment continues to be a challenge for our province. I heard first-hand many of our current medical students, current residents and practising physicians acknowledge that Bill 28 will impact significantly their decision to stay and practise in Manitoba. More worrisome, in rural municipalities, Bill 28 would adversely affect the government's ability to retain and recruit physicians to their communities.

We recognize the government has the authority and the desire to eliminate the budgetary deficit. Our organization have provided numerous suggestions to government officials for such efficiencies and to save health-care dollars without driving physicians out of Manitoba. Our association values and respects good-faith negotiation and the binding arbitration process. We wish to use these fundamental tools to respond to the priorities of our current government, as we have in response to priorities for previous governments. Our desire is to find solutions for all involved but, most importantly, to ensure solutions that provide quality and timely health care to our patients.

Thank you.

**Mr. Chairperson:** We thank you for your presentation.

Do members of the committee have questions for the presenter?

**Hon. Cameron Friesen (Minister of Finance):** Thank you, Dr. Chiu, for being here this evening and for representing Doctors Manitoba.

We do care about physician retention and recruitment in the province. Can you reflect for a few minutes on strategies in the last five to 10 years on doctor recruitment, because we know that doctors have continued to exodus Manitoba, despite the conditions here. Can you just comment briefly on that as well?

**Mr. Chiu:** Perhaps the most important strategy has been a grassroots effect, where we have encouraged Manitobans to go to medical school in Manitoba and encouraged Manitobans from a variety of demographics—rural and urban populations representative of our province—and having those roots already established, encourage them to complete training here and stay here to practise.

**Mr. Tom Lindsey (Flin Flon):** Thank you, Dr. Chiu, for coming in, presenting to us tonight. But just a couple of quick questions.

You talked about the last time there was similar-type legislation in place, and that was 1993, I believe.

Could you tell us just how devastating—how many doctors, roughly, you figure that may have moved on to somewhere else as opposed to increasing numbers during those years? *[interjection]*

**Mr. Chairperson:** Dr. Chiu.

**Mr. Chiu:** Sorry, Mr. Chairperson. In the few years that—after 1993 and before binding arbitration took place in '98, I think, we had an exodus of somewhere around 76 to 80 physicians. But, after 1998, we had an increase of 176 physicians once binding arbitration came into place.

**Mr. Andrew Swan (Minto):** Yes, thank you, Dr. Chiu, for your presentation tonight, and we'll be hearing from a lot of different groups.

Can you just comment a little bit: how mobile are physicians, whether they're a newly graduated student or they're someone who's already been practising, how likely are physicians to move if they believe they can be better compensated elsewhere?

**Mr. Chiu:** Thank you. That's a very interesting question, because physician resource is a highly mobile resource. Within Canada, if you are a graduate from a Canadian medical school, having

completed training in residency, you're able to get licence—any province. So there is a pull, economically, to go to the area that provides you with the better package including compensation. So it is very common for physicians to go from province to province, and, frankly, Manitoba is one of those provinces that has a historical exodus as opposed to influx of physicians.

**Mr. Lindsey:** Thank you for coming tonight, again, and thank you for your presentation.

I don't think we have any further questions for you at this time, but thank you again.

**Mr. Chairperson:** I will now call on Jason Hawkins, private citizen. Jason Hawkins, private citizen?

We will come back to Mr. Hawkins in case he's in the next room.

We will now call on Ashley Morlo, private citizen—Morello. Ashley Morello. Do you have any written material for distribution for the committee?

**Ms. Ashley Morello (Private Citizen):** I do not.

**Mr. Chairperson:** Then you may proceed when you are ready with your presentation.

**Ms. Morello:** All right. My name is Ashley Morello. I'm a member of United Food and Commercial Workers, Local 832. I work at Old Dutch Foods, and I am here today, because I oppose the legislation that is Bill 28.

By interfering with our right to bargain a fair agreement, this government is sending the wrong messages to all public sector employees. How can one think that negotiations can actually be negotiations when one of the parties at the table passes laws dictating the outcome before you start?

Bill 28 weakens the ability of our members to negotiate. This is our Charter right when we choose—when we decided to unionize. The government can also anticipate a corresponding impact on morale in the workplace. Disempowered employees often make for disengaged employees.

\* (18:20)

Furthermore, a general wage freeze will result in financial hardship for many Manitobans. Consider school custodial assistants; dietary cooks working with seniors much like my grandparents; educational assistants working with high-needs students; folks that are working in group homes, shelters,

personal-care homes—these are not high-income earners, and many are working more than one job while raising a family.

Then these Manitobans struggle to keep up with the rate of inflation, while this government dictates that it's in Manitoba's best interest to not only freeze minimum wage, but to also implement a two-year wage freeze with insignificant increases to follow. Will the wage freeze actually have a net benefit when Manitobans have to make a critical decision on how to put food on their plate—tables?

Throughout my experience, out of control costs in both private and public sectors are typically the outcome of poor management. Despite repeatedly saying it's all hands on deck, the Premier (Mr. Pallister) and his Cabinet allowed themselves a 20 per cent wage increase last year. The illusion that we live in a democracy and not a dictatorship is appearing not to be an illusion at all, but indeed a reality, and I'm sad to be a Manitoban right now.

We want to work together to balance the budget, and we think we can do that at the bargaining table, but this bill limits unions to do as much which isn't fair and reasonable. Meet the unions at the bargaining table, I ask, and negotiate for contracts that are fair to workers.

Thank you.

**Mr. Chairperson:** Thank you for your presentation.

The members of the committee have any questions?

**Mr. Friesen:** Thank you for being here this evening and representing your views. I appreciate you taking the time to come out.

You talked at one point at dictating the outcome before it starts. Were you aware that in the provisions of this bill, in the third and fourth year of the prescribed period—the four-year period, that labour and management can continue to negotiate and find additional efficiencies that could flow back into additional salary awards? Just wondering if you are aware of that provision?

**Floor Comment:** Yes, I am aware of that.

**Mr. Chairperson:** Ms. Morello, yes, I—so you can repeat that, I didn't have the mic on.

**Ms. Morello:** Yes, I am aware of that. Thank you.

**Mr. Lindsey:** Thank you for coming out, and we certainly appreciate hearing from you.

I don't think I have any questions, per se, I just want to thank you for sharing your views and answering the minister's questions because clearly you have read the legislation and understand very implicitly what it means for you and your members. Thank you.

**Mr. Chairperson:** Thank you for your presentation.

I will now call on Alex Forcier, private citizen.

Do you have any written materials for distribution to the committee?

**Mr. Alex Forcier (Private Citizen):** I do not.

**Mr. Chairperson:** Then you may proceed with your presentation when you are ready.

**Mr. Forcier:** Good evening, my name is Alex Forcier, and I thank you for allowing me the opportunity to speak to this Bill 28. It is my understanding this bill or act is an attempt to curb costs of public services by impacting those who provide those same services to the public as well as their families, friends, clients, and/or patients.

The purposes of the act as per the second session of the 'firty-forst'—sorry, 41st Legislature are, and this is 'paraphrased' to the best of my ability:

(a) creating a framework for all costs for public sector employees and to ensure medical and health service fees are consistent with the fiscal situation of the Province with fiscal management to protect public services;

(b) to authorize a portion of sustainability savings through collective bargaining to fund compensation or employee benefits in the future; and

(c) to support meaningful collective bargaining within the context of fiscal sustainability.

I do not personally see how the purposes of the act outline can be achieved by this act. I will attempt to address the purposes in reverse order.

(c) The government cannot and does not support meaningful, good-faith collective bargaining by dictating what costing is, or will be, before entering bargaining. This bill takes costing to the extreme to indicate that it is not only wage increases, but all costing that is to be zero per cent in the first 24 months and then point seven point—sorry, 0.75 per cent in the third year and fourth year, respectively.

This means that bargain units cannot negotiate improved health and welfare benefits or increases to

pension premiums, if needed, as this will have a direct impact on the bargain unit wages, as, if costs go up in one area, it is balanced by the cost coming from another area. This is a lose-lose situation for the bargaining unit members and for those who are un-unionized.

(b) The ability to fund increases in compensation or other employee benefits in the future, through a portion of authorized sustainability savings, is lost on me. This act does not explain how these savings are to be achieved other than not improving the livelihood of those employed in public services.

Curbing future increases to wages or any benefit does not result in savings; it results in status-quo spending without looking at other options to reduce costs in public services. This, again, is hurting or impacting the human element of public services rather than the business side or operations of our public services.

(a) Creating a framework for future increases to all costs and compensation to ensure medical and health fees are consistent with fiscal situation of the Province is also not 'atrievied' by this bill and act. Nowhere in the act is it clarified how increases to compensation will be achieved other than status quo spending.

Again, this is not saving money or restructuring public services any way, shape or form to create savings. No increases to fees in the first 24 months of the applicable sustainability period—0.75 per cent increase in the third year and 1 per cent increase in the fourth year does not capture the integrity of this purpose.

I believe the purpose of the act is to generate savings for future compensation, and, again, this provides for status quo spending in the first two years, with minimal increases in fees to coincide with the minimal increase to compensation in year 3 or 4, possibly. I would understand that it would be hard to increase fees when those providing the services are not receiving increases or enjoying their right to fair and open collective bargaining. Those who are not unionized are at an even more vulnerable position, as they do not have a voice in their workplace.

All the above said, I am impacted on a personal level, and I do not work in public services. I do, however, have a wife who works in a school division who is impacted by this. I know the work that she does is not easy, and to know that she cannot openly

bargain with her employer for fair compensation and improvements in any form is not appropriate, to say the least. I have a daughter and a son-in-law who are employed by a regional health authority, and they, too, cannot openly bargain for fair compensation with their employer. And this is not appropriate, to say the least. This will have a direct impact on the quality of life for our school-aged son and our grandson as well as our kids.

In my career choice, members will be directly affected by this act. I am talking about members and employees who work with some of our province's most vulnerable citizens in hospitals, personal-care homes, assisted living, school divisions, et cetera, members who provide front-line services to all of our family members and friends, keeping us healthy and safe. These folks should be afforded the dignity of open and fair collective bargaining and, if not unionized, given proper wage increases in accordance with the industry 'strandars.'

I do not stand in favour of this bill.

**Mr. Chairperson:** Thank you for your presentation, Mr. Forcier.

**Mr. Friesen:** Thank you, Mr. Forcier, for being here this evening, sharing your views, and I thank you—the members of your family for their service to the public.

I also have family members who are in the public service, and none of us said this would be easy. I believe what government is saying is that it's necessary.

I just wanted to ask you to reflect briefly on—you had talked about being perplexed a bit about the sustainability savings part of the bill.

I wanted to ask you: Do you believe that it's possible, with management and labour at the table, to be able to identify places where savings could be achieved? *[interjection]*

**Mr. Chairperson:** Mr. Forcier.

**Mr. Forcier:** My apologies.

I believe with open discussions anything could be possible; I just don't see that in this bill at this time.

**Mr. Lindsey:** Do you—first, let me thank you for coming out tonight and making your presentation.

Do you believe that open and honest negotiation on other matters will be really productive and



possible when you know that you can't have any kind of discussion on your economic factors?

\* (18:30)

**Mr. Forcier:** No, I do not. I believe if it's open and fair collective bargaining, everything is open for discussion. It's not bits and pieces; it's everything.

**Mr. Lindsey:** You did talk a little bit about what the minister asked about earlier, about the ability somewhere in year 3 and 4 for some savings to go back into potential increases.

Are you aware that there's limits placed on that so that if you saved a lot through some other process, the amount that would go back into your compensation would be severely limited still?

**Mr. Forcier:** I am aware of that, and I guess my biggest concern, what I was trying to touch on, was that I don't see where savings are coming with status quo spending. That, to me, is not a saving. There's been no discussion about processes, equipment, whatever it is and whatever industry someone is working in, in public services. I don't see any of that in this bill; I just see it as you're not getting a wage increase or you're not going to get any increase in your compensation package for the first two years. Maybe there will be an increase in years 3 and 4.

**Mr. Lindsey:** So, basically, what you're saying in a nutshell, I guess, is there hasn't been a whole lot of consultation or negotiation about anything at this point in time. You've just heard that they brought in the legislation and now they'd like to talk. Is that a fair statement?

**Mr. Forcier:** I would say that's fair. I don't see or hear of any consultations.

**Mr. Lindsey:** Thank you for your time in coming out tonight. We appreciate it.

**Mr. Chairperson:** We thank you for your presentation.

I will now call on Glenda Brown, private citizen. Glenda Brown, private citizen. She does not seem to appear to be here but she may be in the next room, so we will move her down the list.

I will now call on Kaitlyn Braun. Kaitlyn Braun.

Do you have any written material for distribution to the committee?

You may proceed when you are ready.

**Ms. Kaitlyn Braun (Private Citizen):** Hello, my name is Kaitlyn. I am a wife and mother of a nine-month-old and I have worked in the health-care system for 10 and a half years. I have worked specifically with the WRHA for nine years, with the Yorkton regional health authority in Saskatchewan for a year and a half, and then took part of my graduate practicum training in Alberta with the CapitalCare system.

When I got my email informing me of the government's proposed Bill 28, also known as The Public Services Sustainability Act, I was overwhelmed with numerous emotions: frustration, fear, anger and disappointment, to name a few. I decided I needed to speak on how grossly I feel this bill violates public service workers' chances at negotiating some semblance of fair wages.

Working in health care over the past 10 and a half years, I have begun to see how misguided some of the efforts of the government can be and, specifically, Bill 28 as a prime example. This is a bill that highlights rates of pay will not be increased more than zero per cent in the first year, the second year; 0.75 per cent in the third year; and 1 per cent in the final fourth year, should the sustainability act be invoked as a result of the fiscal state of the Province, as determined by our government. Essentially, I feel this is the government penalizing its front-line service workers for their management or mismanagement of funds.

Why does the government feel that it should have the power to effectively eliminate discussion between employer and employee on wages by capping increases and pay so significantly?

A large part of the purpose of unions and union negotiations is to sit down and collaborate on wages, to determine if there will or will not be changes to pay, to simply have a discussion. Bill 28 seeks to remove any power for public service workers in negotiating wages, negating the protective power of the unions—effectively eliminating a large portion of their purpose and value to the workers that they serve.

By creating such strict limitations for employees to earn a reasonable wage, what are we communicating to the people who serve our communities? What are the potential implications for service delivery and other areas in our budget? By moving forward with Bill 28, you would be communicating how valuable you think these workers are and how much you value what they do

and what they provide to our communities. I believe that even trying to impose these limitations to wage increases, you are saying that we, the service workers, are not valued nor is the work we do.

As a result of workers feeling they are not valued and they are not paid a fairly negotiated wages, what, then, will happen to job satisfaction, and why is this important to the very people who are pushing for Bill 28? Workers who aren't able to negotiate fair wages will end up with them feeling undervalued and likely result in poor productivity, decreased efficiency and potentially increase their sick time. I believe that if you so severely limit their earning potentials—the earning potentials of your employees, there will be push back that will cost the government in other areas.

What will happen to the recruitment and retention of the public service workforce if Bill 28 is passed? Will people be enticed to work in these service areas or discouraged from these jobs knowing they are going to receive laughable increases to their wages in the four-year contract? Rest assured that many of our workers and new graduates will be more likely to move out of province for better rates of pay for the same job.

Will Bill 28's restrictions, caps on wage increases result in decreasing the deficit? Possibly. However, I am more curious about the numbers that won't be headline news or reviewed with the public—the numbers that show how Bill 28 affected spending in the following areas: employee sick time; over-time pay; use of resources; and potentially, specifically with health care, even changes to our length of stay for our hospital patients.

How will these changes affect recruitment and retention of employees in public service areas pre and post Bill 28? In my eyes, Bill 28 is a misguided and, ultimately, ineffective attempt at whittling down the deficit. Instead, I feel the government is penalizing the front-line workers in the exact service areas in which they hope to cut the cost, punishing specific groups of individuals for their spending.

Communicate to your service providers that they are, and the work they do, is valued; continue to negotiate fair wages; consider a sustainability act that is truly sustainable for all parties that involved.

**Mr. Chairperson:** We thank you for your presentation, Ms. Braun.

**Mr. Friesen:** Thank you, Ms. Braun, and thank you for being at the committee tonight and for making

the trip into Winnipeg. Appreciate your service to the province at the WRHA.

I note from your presentation that you also did work in Yorkton regional health authority, and I reflected on the statement you made that workers would be more likely, as a result, to move out of the province for better rates of pay. I'm reflecting on the last couple of weeks—since Saskatchewan announcing that they would roll back wages for all public sector workers by 3.5 per cent and impose a four-year, zero per cent increase across the scope of government.

Would you not agree that, by contrast, this bill is actually quite reasonable in terms of trying to effect the maximum amount of benefit to people in these trying financial conditions that we're in with a billion-dollar deficit?

\* (18:40)

**Ms. Braun:** Yes, I think, potentially in light of new information, you know, had this been two weeks ago, I obviously wouldn't have agreed with that.

I can say, still, specifically for my profession, we are one of the lowest paid in the country. When I was working in Yorkton, Saskatchewan, they also had signing bonuses—significant signing bonuses that were more likely to recruit individuals to stay and work in their province. And, working with them five years ago, I'm making the same wage in Manitoba now as I did, you know, five years ago in Saskatchewan without the signing bonus. So, you know, yes, I do think there is some security with regard to Saskatchewan's announcement. However, I don't think that it provides much sense of empowerment for the workforce really.

**Mr. Lindsey:** I thank you for coming tonight and appreciate your insights into this.

And I guess just to play off what the minister said that, well, Saskatchewan is going to be really bad; this government is only going to be a little bit bad. Does that really make you feel any better?

**Ms. Braun:** It does not, yes.

**Mr. Lindsey:** Quick question: Are there other provinces or territories or countries where health-care workers may choose to migrate to other than Saskatchewan?

**Ms. Braun:** I would say specifically Alberta. When I was with them, they had substantially higher wages and they still do have substantially higher wages.

They have lower cost for professional fees. They have access to way more resources, so I think professionally for myself, it would be—it would provide me with better wages and more opportunities professionally to grow.

**Mr. Chairperson:** We thank you for your presentation, Ms. Braun.

Now we will call on the next presenter, Wendy Lundy, private citizen.

Do you have any written materials for distribution to the committee?

**Ms. Wendy Lundy (Private Citizen):** No, I do not.

**Mr. Chairperson:** Then you may proceed with your presentation when you are ready.

**Ms. Lundy:** What I'm about to speak about is not things I've heard about or read about. It's been from personal experience.

So, a little bit of an introduction. I was a municipal councillor for 18 years, so I understand budgets, grants, fiscal constraints.

I also want to talk about vulnerable people living in the community. I've worked in that field and I have been connected to it for the last 10 and a half years.

Nurses' aides deserve every penny they get, but they do not have to deal with feeding tubes, they're not allowed to handle meds, they drain catheter bags, they look after hygiene, they wash and bath the person, they take them for short walks and if a doctor comes to the patients.

In assisted living with vulnerable people, the workers deal directly with the families. They mix their food and they put it in the feeding tube. If the feeding tube is plugged, they try to clean it. If the port cannot be cleaned, they take them to the doctor. They wash them, they bath them, they give them meds daily. They apply creams, internal, externally. They sterilize the catheter bags. All appointments—doctor, optometrist, dentist, et cetera—are done by the workers. They take them shopping, bowling, swimming, shows, and to work on their job experience.

The home members to the workers are like family. They go to the hospital to visit them. They grieve when they pass. They come back to visit them even when they're retired or they moved on to other jobs.

Have any of you ever visit a mental hospital? That may not be politically correct in this day and age, but the Brandon had a mental hospital. I visited there on more than one occasion. One nurse to 25 patients; patients in hockey helmets because they had grand mal seizures and they couldn't be looked after one-on-one; people tied into their chairs; no outings. Let's not go back to that.

The first time I was in assisted living for vulnerable people at Christmastime, I said, oh, everybody gets to go home. The workers looked at me and said none of them were going home.

I've also dealt with Home Care. I had a sister that was a paraplegic since she was 19. I ended up helping dress a pressure sore you could put your fist in with no medical background because there were not enough RNs to come around to do it twice a day. To the point that I was only support, my husband and I took her to Winnipeg hospital and she was admitted through emergency because the sore was gangrenous.

She then had a fall that damaged a nerve in her hand. At 52 years of age, she was told by administration hospital—I know this is only one person—that she was a strain on the medical system and the only place for her was a care home; a bright, intelligent 52-year-old woman. She ended up getting cancer and passing, and in retrospect, I think maybe if it had to happen, it was better her passing than living in that situation.

I just want to say that I think we should all get in the same boat, all row in the same direction, not go back to 1958 when my husband's mother lost the farm because it all went to pay for him, the husband, to be in a mental institution with Alzheimer's. So I just feel that it's time to move ahead. Let's not go back to that, and let's not move the house just to tighten the clothesline.

Thank you.

**Mr. Chairperson:** Thank you for your presentation, Ms. Lundy.

**Mr. Friesen:** Ms. Lundy, thank you for being here this evening and sharing. I appreciate how you've told the stories of various individuals and the real and substantial contributions they make to Manitobans each and every day. And we all have stories like that, but I appreciate you sharing those.

I think that we would agree on a lot of things, and certainly I know that, as a government, what

we've said is we share this fundamental concern with the sustainability of our system and that is why for us we've said fundamentally that status quo approaches just are not good enough. I'll share just one example with you. This last year in the third quarter, I had to report that debt service charges to the Province of Manitoba were up \$61 million in a single quarter, just the cost of servicing our additional borrowing. So we know that we need new approaches to be able to make our systems fundamentally sustainable, not just now but over the long term.

I appreciate your time and thank you for being here this evening.

**Mr. Lindsey:** I thank you for coming tonight and I thank you for sure for sharing your personal insights and stories.

Do you believe that this bill, in your opinion, would help the government, or help the province of Manitoba attract quality people into the health care?

**Ms. Lundy:** Absolutely not, for the simple fact in the assisted living with vulnerable people some of the starting wages are \$12. You do not keep people for \$12 an hour, and at that a lot of them are working two jobs to try to make a go of it. Everybody—the vulnerable people deserve a quality of life and the workers deserve a living wage.

**Mr. Lindsey:** Thank you very much for that, and thank you for coming.

**Mr. Chairperson:** We thank you for your presentation. We will now—is there no other questions?

We will now proceed with the—did you have a response to that?

**Ms. Lundy:** No, just thank you for your time this evening.

**Mr. Chairperson:** We thank you.

We'll now proceed to Kevin Rebeck.

Do you have any written materials for distribution to the committee?

**Mr. Kevin Rebeck (Manitoba Federation of Labour):** I do.

**Mr. Chairperson:** Once it has been distributed you are—please proceed with your presentation.

**Mr. Rebeck:** My name is Kevin Rebeck, president of the Manitoba Federation of Labour, the MFL, and I'm speaking here today on behalf of more than

100,000 unionized working men and women. We represent and we speak out and voice our strong opposition to Bill 28, a bill that is quite simply unfair, unnecessary and unconstitutional.

\* (18:50)

During the election, Brian Pallister promised to protect front-line services and respect the people who deliver them. In fact, he went so far to say protecting front-line services and the people who provide them is what we ran on and what we will do as a government.

But a year later, the Premier (Mr. Pallister) has completely changed his tune. Now he calls his promise a moving target. Last December, I was contacted by Mr. Gerry Irving, secretary to the public sector compensation committee on behalf of government, to arrange a meeting for labour leaders with the Minister of Finance (Mr. Friesen). Mr. Irving advised that government wanted to talk to us about the fiscal challenges and opportunities to make improvement. Public sector unions have always been ready to talk and work with government openly and constructively to solve problems, to find better ways to do things and to improve public services. We happily accepted that invitation.

A meeting with the Honourable Cameron Friesen and labour leaders took place on January 5th this year, at which time the minister invited public sector unions to be part of a fiscal working group to find solutions to return to balance responsibly over an eight-year period, as the government has committed. He told us that no final decisions had been made about how to get there and that all options were on the table. As labour leaders, we took this invitation seriously, but this would be the last time the Finance Minister would meet or communicate with us.

At a follow-up meeting with government staff in early February, we took the lead in presenting realistic fiscal forecasts and sensible models for returning to balance without compromising public services or making life more expensive for everyday families. But, instead of starting a meaningful process of consultation with public sector unions, government refused to discuss our proposals or to share information about the government's fiscal objectives or target timelines. We've continued to attend meetings, but the government staff representatives have been clear: they don't make decisions; they aren't in the loop on the government's budget deliberations or longer term fiscal planning,

and they're not in a position to discuss the options we've presented. It's become clear that government has only ever had one approach in mind: turning its back on the time-honoured and constitutionally protected process of free and fair collective bargaining and instead legislating the terms of employment for public sector workers.

This plan was first outlined publicly by the government in its November 2016 Speech from the Throne, and despite assurances made to us that no final decisions had been made and that non-legislative options would be continued—considered, it's clear that this government has been fixated on a single, heavy-handed legislative approach from the start. They've been closed-minded to any alternatives, including coming to the bargaining table and trying to negotiate a fair deal. We believe that every Manitoban wants to see the budget balanced, and we can all be part of that work that's needed to get there, but balancing the budget should not come at the expense of the public services so many families count on or the people who provide them.

In Manitoba, we know what hard bargaining means. Under the former government, thousands of workers across the province agreed to two years of zeroes instead of wage increases, but it was done at the bargaining table through respectful and meaningful consultation and negotiation. Collective bargaining works. Over the past five years, Manitoba's only seen five public sector work stoppages. In fact, throughout Canada, over the last decade, more than 90 per cent of public sector collective agreements were settled without a work stoppage.

There are three main features to collective bargaining that make it a preferred option for virtually every government in Canada instead of heavy-handed legislation.

First, collective bargaining requires workers to co-ordinate and focus their asks of their employer. Workers come together, prioritize things like safer worker conditions, fair wages, retirement plans, and they negotiate their narrowed-down list with their employer.

Second, collective bargaining requires compromise. Just as employers do not want to see their operations halted, workers don't want to see the services they provide affected or the paycheques their families rely on disappear. By sharing information and engaging in open and constructive

conversation, both sides can better understand the challenges an employer and employee faces.

Third, collective bargaining and the process of compromise provides stability throughout the life of the contract: a deal is a deal. And these arrangements and agreements create a clear process for resolving disputes, and they're also not permanent; they allow for employers and employees to come back to the table at the end of the agreement to collaborate again and sign a new agreement that accounts for changes in the workplace.

Despite the stability that collective bargaining and meaningful consultations provided to our province and others, it seems this government's set on sticking to its own agenda, even if that means breaking the rules and changing the laws that guarantee free and fair collective bargaining practices. It seems that plans to balance the budget do not include the Premier (Mr. Pallister) or his government, despite repeatedly saying it's all hands on deck, the Premier gave himself and his entire Cabinet a 20 per cent pay increase in the first year of office.

And so-called MLA salary freezes, if you can call them that, have been structured in such a way that MLAs will receive an immediate 6.4 per cent salary increase after the next election, and their pensions will continue to grow each year, a far cry from what government's trying to force on public sector workers through Bill 28. And what's more, MLAs will qualify for generous donation tax credits for the portion of their salaries they're temporarily giving back—a minimum of \$650 in tax credits.

Public sector unions are willing to come to the table. We're prepared to work constructively with government to find solutions that will protect public services, respect public sector workers, and balance the provincial budget over the government's fiscal timeline. With an open, respectful, and responsible approach, we can get there. Heavy-handed legislation and serious cuts to the public services are not the answer.

According to the analysis of the government's latest budget by Dr. Michael Benarroch, Dean of the Asper School of Business and CPA chair in business leadership, Manitoba is on a path to balance the provincial budget within the next seven years. The provincial deficit remains manageable and is comparable to other jurisdictions.

Assuming reasonable revenue forecasts and prudent expenditure management, there is no need for Bill 28. Government will return to balance without legislating public sector wages.

This is true despite a number of decisions by government to erode its own revenue base, thereby worsening the deficit, adding to debt, and delaying a return to budget balance. That includes borrowing \$110 million over three years to run up the Fiscal Stabilization Account, contrary to the intent of the fund. It includes reducing government revenues by \$34.1 million by indexing the basic personal amount and income tax brackets, an amount that's cumulative and grows every year. And it includes increasing the annual political contribution tax credit for wealthy donors from \$650 to \$1,000. This ensures that wealthy donors will continue to receive tax credits now that government's raising the limit on individual political donations from \$3,000 to \$5,000 annually.

According to Dr. Benarroch, by 2019-20, the government will have reduced revenue by \$170 million as a result of policies to index personal tax income brackets and basic personal amount to inflation by adding to the Fiscal Stabilization Fund and increasing the political contribution credit. Without these measures, the deficit would fall to \$379 million, down from \$549 million, or just 0.57 per cent of GDP.

And, of course, there are other measures that can be considered if the government wants to turn—return to balance even more quickly. We can delay unaffordable tax reductions. We could plan for new revenues from the federal carbon tax through regulated—and through regulated marijuana sales. We can work with the federal government to crack down on tax evaders. We could ask higher income earners to pay their fair share. Or we can make a small increase to the large corporations' tax rate.

We urge the government to withdraw Bill 28 and come to the bargaining table. Let's actually start working together and negotiate a fair deal for everyone.

**Mr. Chairperson:** Thank you for your presentation, Mr. Rebeck.

**Mr. Friesen:** Thank you, Mr. Rebeck, for being here. I have appreciated discussions that we've had with labour and the discussions that will continue into the future.

There's a number of things that you and I don't agree on, but there's always some that we do agree

on. I thank you for recognizing with us the need to invest in things like Manitoba's FleetNet public service, our public safety emergency system that we know needs attention. I also note in your bulleted list here, I would agree with you that there is more area for us to expand when it comes to tax compliance and working with the federal government. I know in the last two fiscal cycles, that federal government has included additional resources for ensuring tax compliance. We need to do the same here and we have some initiatives under way that I look forward to telling you more about.

I wanted to just ask one question of you. It was based on page 2 of your presentation. When you talked about the fact that labour presented realistic fiscal forecasts and sensible models for returning to balance without compromising public services, I wonder: Did you share these realistic fiscal forecasts and sensible models with the previous government over the 17 years where they arrived at \$1-billion deficit? And, if so, why did they not heed your advice on that path to return to balance? In other words, did they take the view that budgets just balance themselves?

\* (19:00)

**Mr. Rebeck:** Well, we put those forecasts together in response to the—to asking to meet with us. And we're still waiting for a response to what this government thinks of those fiscal forecasts. It's been extraordinarily frustrating that we've had meetings with government, we've done our homework, we've brought proposals forward, we've brought plans forward, we've asked for feedback—in fact, we were told that we would get feedback, and that government would accept some, none, or all of what we were proposing. And we've yet to ever receive feedback on those presentations or on anything further that we've asked through these meetings that we've been having with government.

It's been extraordinarily frustrating to get an answer from this government on what they think of our proposal and plans, on how the work that we've done has shown a return to balance that doesn't require Bill 28.

And the question today really is: Is Bill 28 needed or necessary? And we say it clearly is not.

**Mr. Lindsey:** I thank you, Mr. Rebeck, for coming and sharing your well-thought-out views with us tonight.

You said that you've had how many meetings with the Minister of Finance (Mr. Friesen) over this?

**Mr. Rebeck:** We were invited to one meeting that included the Minister of Finance that really set up that there would be meetings with government, and none since.

**Mr. Lindsey:** And how many of these meetings did the Premier (Mr. Pallister) attend?

**Mr. Rebeck:** There have been no meetings that the Premier has attended to meet with Labour leadership, or hear these views, or concerns, or discussion on this bill.

**Mr. Lindsey:** Well you presented several suggestions, alternatives to whatever government officials did show up for these meetings, and you're saying tonight that you've never heard anything back on any of those proposals?

**Mr. Rebeck:** That's correct. There's been a series of presentations and information, questions that we've asked of the government officials that we were designated to meet with, and we've not received answers to those questions. We've been told that answers will be coming. We were told we would get answers on budget day.

We still have not had answers to those questions.

**Mr. Lindsey:** I thank you for coming, Mr. Rebeck, and thank you for sharing your views with us.

**Mr. Chairperson:** We thank you for your presentation, Mr. Rebeck.

I will now call on the next presenter: Michelle Gawronsky, MGEU.

Do you have any written materials for distribution to the committee?

**Ms. Michelle Gawronsky (Manitoba Government and General Employees' Union):** Yes, I do, sir.

**Mr. Chairperson:** You may proceed with your presentation as soon as you are ready.

**Ms. Gawronsky:** Thank you very much.

Good evening, Chairperson, honourable members and Minister Friesen. As said, my name is Michelle Gawronsky, and I am president of the Manitoba Government and General Employees' Union, the MGEU.

The MGEU represents over 40,000 Manitobans who live and work throughout Manitoba in a wide variety of workplaces. Roughly 14,000 of our

members are employed directly by the Province of Manitoba, and others work in Crown corporations, universities, colleges, health-care facilities, social service agencies, as well as arts, cultural organizations, just to list a few.

During the last provincial election, the current government made a clear commitment to Manitobans to protect public services. The Premier stated on April 15th, 2016, that quote: A new PC government is going to protect front-line services and the people that provide them. Unquote.

We agree. As the representative of over 40,000 Manitobans who take great pride in providing these important services, we know that public services are only as strong as the people delivering them. When it comes to delivering these important services, the fact is they are all front-line workers whose job it is to support families and communities.

However, MGEU members continue to express frustration with the gap between what they are asked to do and the resources dictating their program areas—doing more with less. These same workers warn that the declining resources already stretch services too thin, leaving public services and the families who count on them at risk.

Stability and continuity allows programs to operate smoothly and deliver the best services at the end of the day. In order to maintain quality public services, there must be investment in the people who provide those services. Recruitment and retention has become a major problem in several sectors like home care, the technical-professional, or child welfare where people are feeling undervalued and overworked.

A fair wage package ensures the best and brightest stay in Manitoba. Keeping young workers from leaving the province requires opportunities and options for families to put down roots. Considering that income growth in Manitoba is not keeping pace with our provincial neighbours, a competitive wage is crucial to recruitment and retention efforts and to keeping our own dedicated and skills workers here in Manitoba.

Adding to the problem is the reliance on hiring freezes and attrition to leave vacant positions unfilled and then deleting those positions altogether, which may achieve a short-term budgetary goal, but the long-term impact on services will increase cost elsewhere in the future. We've seen this issue right across the Civil Service. This is why Bill 28 is so

concerning for MGEU members who give their best effort everyday, providing crucial public services in often challenging circumstances.

When faced with challenges, our members have shown that they are willing to step up on behalf of Manitobans and be a part of the solution. We have a strong track record of working collaboratively with government. Following the global fiscal crisis of 2008 and the persistent flooding experienced in 2009 and 2011, the government and many people in Manitoba face difficult financial challenges.

We were engaged in a frank discussion about the situation and how we could help alleviate some of the pressure on the budget. Our members chose to do their part in easing the financial strain following the economic downturn by agreeing to a two-year wage freeze, two years of no increases. These workers have already had two years of zeroes at their bargaining table.

Bill 28 takes away the rights of MGEU members to engage in free and fair collective bargaining. This legislation, which imposes further wage freezes shows disrespect for the workers and disdain for the collective bargaining process. It means public sector workers can expect to see two more years of wage freezes and two years of wage caps well below the cost of living. Restricting wages in the public sector will put a downward pressure on wages across the province in all industries and sectors. This means incomes for tens of thousands of Manitoba families will not keep up with the rising cost of living.

Bill 28 places an unfair burden of returning the budget to balance on public servants. The provincial debt and deficit are the responsibility of all Manitobans, not just public servants. Public servants ensure that services and programs are there for all Manitobans. A balanced approach would not pick on public servants to carry an unfair share of the burden. These families spend their hard-earned dollars in their communities supporting the local economy. They support small businesses across the province. They buy their groceries at the local grocery stores. They own a home or rent apartments in—on your street. Overall it will have a damning effect—damaging effect on Manitoba's economy, which has been performing relatively well in recent years.

As I've said before, despite the government's intent to impose legislation, our union remains open and committed to going to the bargaining table to negotiate a fair deal for our members. In the true collaborative spirit of Manitoba or, quote, teamwork,

as the Premier (Mr. Pallister) often says, we ask that this committee reconsider Bill 28 and respect the rights of our members to freely engage in collective bargaining. It's good for services, it's good for the economy, and it's good for Manitoba.

Let's go to the bargaining table when the time comes and negotiate a fair deal for both sides like we always do. Thank you.

**Mr. Chairperson:** Thank you for your presentation, Ms. Gawronsky.

**Mr. Friesen:** Thank you, Ms. Gawronsky, for being at committee tonight. It's good to see you here. And thanks for the discussions that we've had and will continue to have with labour. As well, I wanted to just briefly comment on a few statements you made.

We've noted that in the last eight years the average expenditure growth in provincial government is approximately 3.5 per cent, year over year. The average revenue growth is 2.6 per cent, year over year. It's created a structural deficit that has to be addressed.

I noted from another presenter this evening that in the third quarter of this fiscal—this previous fiscal year, debt service charges were up \$61 million just as a result of the additional expense to service the increased borrowing that Manitoba is doing at this time.

\* (19:10)

We're interested I think in the same things, which is the sustainability long term of our system. We might disagree about how to get there.

Can you comment for us on the threat that a rising debt service cost creates for all of your members?

**Ms. Gawronsky:** Thank you for the question, Minister.

As my—the colleague previous to me has stated, we have actually provided government—you know, I've been a part of that group that has put forward ideas for government on how they could move forward in sustainability, and it's the sustainability of the services for Manitobans and, again, you know, that is what is important here, and you need to have the resources there to be able to have those services. That was actually guaranteed to us through the Premier during his campaigning.

You know, we are willing to sit down and look at them, at what needs to be done. We have done this



before at the bargaining table. Our members are not only the providers of the services; they're the users and they are the taxpayers of those services. So they're very much aware of what needs to be and where it needs to be, and again, we have offered many, many repeated times to this government to be able to sit down, show where they could find efficiencies to ensure that we're sustaining the services that Manitobans require, and we have yet to be taken up on that offer.

Again, the offer stands. We are more than willing to sit down and share our members' thoughts.

**Mr. Lindsey:** Thank you, Ms. Gawronsky, for coming out and sharing your views tonight.

So, as the leader of one of the largest unions involved in public sector, the minister said he appreciated discussions that you've had and continue to have.

Could you tell me how many meetings you've had with the Minister of Finance (Mr. Friesen) to discuss things like this bill?

**Ms. Gawronsky:** We had the joint meeting on January the 5th to—where it was going to be laid out on how this was going to move forward. We have not had any other meetings with the minister at this point.

**Mr. Lindsey:** Have you had any meetings with the Premier (Mr. Pallister) to discuss this or similar-type things?

**Ms. Gawronsky:** I have enjoyed one meeting with the Premier back in November, not to discuss this, for instance, but only one meeting with the Premier.

**Mr. Friesen:** I just wanted to clarify, Ms. Gawronsky, how many meetings have you been present at with the department and government officials on these issues?

**Ms. Gawronsky:** I'm sorry. Could you repeat the question, minister? How many meetings have we had about Bill 28?

**Mr. Friesen:** Yes. I was asking you to clarify how many meetings with government officials and representatives of the central government that you have had on this issue.

**Ms. Gawronsky:** Okay. If we're talking about the meetings with Gerry Irving, I understood the question from the previous member of parliament was asking us was how many meetings I'd had with you personally. I believe there's been four or five

where we have been awaiting some response to the questions and the proposal that was put forward by labour in Manitoba on how we could achieve a balanced budget over the eight years without service cuts and without causing any more—further recruitment and retention issues.

**Mr. Lindsey:** Just to summarize very quickly, you've had one meeting where the minister was present. You've had four or five meetings with department officials where you've made several suggestions, proposals, about how to proceed and the response to those suggestions or proposals has been—if you could clarify what the government's response has been?

**Ms. Gawronsky:** At the time of the meetings, Kevin Rebeck was our speaker for the group. We were all in the room. Gerry Irving was saying he had to get back to the principals that made the decision, so he would come back to us. We are still awaiting the decision of the principals.

**Mr. Chairperson:** Our time for questions—our five minutes has expired.

We'd like to thank you for your presentation, Ms. Gawronsky, and I will now call on the next presenter.

Okay, Claudia Colocho—I understand she's in the next room giving a presentation, so we will watch—*[interjection]*—she's here now? Claudia is here? Okay, good.

Claudia, could you please instruct me as to the correct pronunciation of your last name, please?

**Ms. Claudia Colocho (Private Citizen):** Colocho.

**Mr. Chairperson:** Colocho, Colocho. Thank you. Do you have any written material for the committee?

**Ms. Colocho:** I do not.

**Mr. Chairperson:** Then you may proceed with your presentation when you are ready.

**Ms. Colocho:** Good afternoon, everyone. My name is Claudia Colocho. I have been living in Manitoba since 2005. I came as a temporary foreign worker. I'm a new Canadian, and I oppose Bill 28 for the following reasons:

I think it is unfair for the workers in the public sector and also for the community in general. These workers will have two years of wage freeze, but the cost of living will continue to go up each and every year. This not only affects doctors' wages and nurses'

wages, but also people who make way less money than them.

I think the public sector workers are a key in our society, and we all, in so many ways, are connected with them. They are teaching our children in schools; they are taking care of our elderly parents in home care; they are taking care of us at times when we're in hospital. We should appreciate them and compensate them accordingly. Wage freezes and cuts make our province look less way attractive, not just for health-care professionals, but everyone else.

I come from a country with a very weak health-care system, where nurses and doctors are undercompensated; therefore, they leave our country. We ended up so short on health-care professionals that people in my country die while they're waiting for a treatment. When I talk to my migrant friends, we all express our concerns about the cuts and wage freezes because those are some of the things that—for which we left our countries. I don't want to see a weak health-care system in Manitoba, and I don't want to see people leaving our province, seeking better opportunities in different provinces.

**Mr. Chairperson:** Thank you for your presentation, Ms. Colocho.

The Honourable Minister Friesen.

**Mr. Friesen:** Thank you, Ms. Colocho, for being here and sharing your views this evening.

You talked about affordability and the necessity to have affordable conditions in which people can live and raise their families, and I agree wholeheartedly, and that is why our government's made a fundamental commitment to Manitobans to lower the provincial sales tax from the current 8 per cent to 7 per cent.

We've also taken measures like indexing tax brackets, which returned \$25 million to taxpayers this year. At the same time, we're thinking about the other ways. It's important to insist on affordable conditions for all Manitobans, so I just want to thank you for your presentation this evening and thank you for your words about the importance in maintaining sustainability in our health-care system.

**Mr. Chairperson:** Ms. Colocho, did you want to say anything there or should we go on to the next question?

Mr. Lindsey.

**Mr. Lindsey:** Thank you very much for coming out tonight and talking to us and just, you know, the minister talks about affordability for everyone.

Do you think that having your wages froze for the next two years will make life more affordable for you or do you think other expenses like, oh, I don't know, Manitoba Hydro or something, may go up somewhat in the next couple of years and will make life actually less affordable for you?

**Ms. Colocho:** I would really like to see improvements in, like you were saying, Manitoba Hydro costs. I do not see this will be any positive change for anyone in my family. I have many friends that work as health-care aides and they're actually thinking of the impact that this will have in their family income, and they're actually thinking of moving somewhere else.

**Mr. Lindsey:** Thank you very much for coming out tonight.

**Mr. Chairperson:** Thank you for your presentation, Ms. Colocho.

I will now call on the next presenter, Sandi Mowat, Manitoba Nurses Union.

Do you have any written materials for distribution, Ms. Mowat?

**Ms. Sandi Mowat (Manitoba Nurses Union):** I don't.

**Mr. Chairperson:** You may proceed with your presentation when you are ready.

**Ms. Mowat:** Good evening, Chairperson and honourable members.

My name is Sandi Mowat and I'm the president of the Manitoba Nurses Union.

MNU represents more than 12,000 nurses across Manitoba. Our members work in a variety of health-care settings, ranging from acute care and community health to home care and long-term care.

It's disappointing that I must stand here today on the first day of National Nurses Week to speak on Bill 28, The Public Services Sustainability Act. National Nursing Week is a time to focus on the important contribution of nurses, their expertise, their unwavering commitment to caring for the people of this province. Unfortunately, with the introduction of this bill, it would seem that the important contribution of nurses is lost on this government.

Bill 28 imposes four years of wage controls, including a two-year wage freeze. It also restricts our ability to bargain other monetary benefits, such as premiums, bonuses and allowances.

\* (19:20)

The Manitoba Nurses Union strongly opposes this legislation. Simply put, Bill 28 is unconstitutional. It infringes upon our members' right to free and fair collective bargaining. It prevents us from ensuring that Manitoba's nurses maintain competitive wages and benefits. This is especially problematic as patients become sicker with more and more complex needs, as the population ages, and the nursing shortage continues across the globe.

The fact that this bill exists shows the government's blatant disrespect for the nurses in this province. It is no secret that nurses are already stretched thin. They're continually being asked to do more with less. We know that more and more nurses are facing violent situations at work. In fact, being a nurse is one of the most dangerous jobs around. Nurses are more likely to be attacked at work than prison guards and police officers. But yet, nurses persist. They show up to work day in and day out. They do that because they're passionate about patient care. Nurses are committed to the people of this province, and it is unfortunate that this government does not recognize the importance of the work we do.

What this bill says to nurses is that our work is not valuable. It sends a clear message that this government is more concerned with balancing their books than they are with ensuring that there are rewarding, professional opportunities for nurses. Nurses must be appropriately compensated to ensure a sustainable health-care workforce in this place to meet the complex and ever-changing health-care needs of Manitobans.

MNU has been bargaining in good faith with our employers for more than 40 years. Our current collective bargaining process is a system that works. We work together on challenging issues and we reach consensus, an agreement that works for both parties. It's a process that ensures fairness and transparency for all. This bill undermines that process by limiting what we're able to discuss. It is unconstitutional and quite frankly an oppressive and hypocritical tactic from a government who came-campaigned on protecting front-line services.

We understand that the government is attempting to return to their budget balance over eight years, and we support this initiative. Figures provided by the government clearly show it's possible to return to balance in that time period without cutting vital front-line services or legislating wages. Unfortunately, the government has not demonstrated a willingness to even consider other options. Though government went-met with public sector unions prior to introducing this legislation, they did not indulge in consultation or meaningful dialogue at all.

MNU and other labour organizations put significant time and effort toward working with government, asking questions about specific targets, and developing reasonable options. Our questions went unanswered; our proposals, to date, have been ignored. We proposed viable alternatives the government could adopt to restore fiscal balance without infringing upon individuals' constitutional rights and freedoms. Unfortunately, it quickly became clear that our government has no interest in considering alternatives. This is very disappointing.

Nurses are the backbone of health care in Manitoba. We are front-line professionals; we are there 24 hours a day, every single day at the bedside, in the community, caring for Manitobans when they are at their most vulnerable. We already face heavy workloads, hazardous work conditions, and a critical shortage of health human resources. Government should not attempt to balance its budget on the backs of nurses.

I strongly urge our government to rescind Bill 28 and show the nurses of this province that their hard work and commitment in caring for Manitobans is of utmost value.

**Mr. Chairperson:** Thank you for your presentation, Ms. Mowat.

**Mr. Friesen:** Thank you, Ms. Mowat, for being here this evening and sharing your views on behalf of your organization.

I would say this: While we might disagree on some things, I disagree strongly when you say that this government does not recognize or value the contributions that nurses make in our communities. I take exception to that, and I know that members of our caucus are in this field, their family members are in this field. Many of our extended family members are in this field as well, and we are in conversation with those Manitobans as well.

What we've attempted to do with this bill is to make a bill that would prescribe a limited, four-year rolling period of adjustment to recognize a \$900-million deficit that needs attention. And we know what the result of not attending to that is. So, when you talked about a blatantly disrespectful approach, I would just simply suggest that status quo approaches in the past that haven't actually addressed that have led to, like, a \$61-million increase in borrowing costs even in this year.

So I value your presentation, I value the things that you've said this evening. We may disagree on how to get there, but I think what we hold in common is putting merit on the work that your members do and putting merit on the sustainability of our system over time.

I would invite your response if you have one.

**Ms. Mowat:** I appreciate those comments, Mr. Friesen. I think what I would like to say to that, though, is the Manitoba Nurses Union has also participated in bargaining where we have taken zeros in the past. So we recognize the importance of sustainability of a health-care system. We value our health-care system very, very much. And we always want to be part of the—of making things better and making it sustainable. So I would suggest that we could've done that at the bargaining table.

**Mr. Lindsey:** I thank you for coming out and sharing your thoughts with us.

Would you suggest that in order to show respect for your members that the government should actually sit down and participate in meaningful consultation and in actual negotiation as opposed to dictating to your members?

**Ms. Mowat:** I absolutely believe that all of us, all the public sector unions, have indicated a willingness to talk and be part of solving the problem, being part of keeping our health system and our province sustainable. And we have offered to do that. And I absolutely believe that we can do that at a table, and we can certainly do it at a bargaining table.

**Mr. Swan:** Ms. Mowat, I'd like to ask you the same question I asked Dr. Chiu of Doctors Manitoba.

How mobile are your members? Let's say a newly graduated nurse who's just been licensed to practise, how mobile is a young person like that if they believe they can make more money elsewhere?

**Ms. Mowat:** Well, that is a concerning thing, because, of 2015, when they started writing the

NCLEX exams, registered nurses in Manitoba—and I'm just speaking for them right now, we do have other nurses as well who are also mobile—but the registered nurses are writing NCLEX exam, which is the international exam. So they can go down to the States now with no barriers whatsoever. And that is a concern.

**Mr. Lindsey:** I thank you again for coming out tonight, Ms. Mowat, and, hopefully, we'll be able to convince the government to rethink their position.

**Mr. Chairperson:** Thank you for your presentation, Ms. Mowat.

I will now call on the next presenter, Morris Broder—Broder, Broder. Morris Broder. We will drop Mr. Broder to the bottom of the list.

We will now move on to the next presenter, Jonathan Alward, Canadian Federation of Independent Business.

Do you have any written material for distribution to the committee?

**Mr. Jonathan Alward (Canadian Federation of Independent Business):** Yes, I do.

**Mr. Chairperson:** You may proceed with your presentation whenever you are ready.

**Mr. Alward:** Look—thank you, Mr. Chair, and certainly for—excuse me—for everyone here, I have included lots of graphs, so—good evening, everyone. On behalf of the Canadian Federation of Independent Business, thank you for the opportunity to present the small-business perspective of Bill 28, The Public Services Sustainability Act.

And I'd like to note everyone who's preceding me here speaking this evening has certainly provided that view of the public sector employee, and certainly I'd like to call your attention to the fact that this is going to be from the other side of that spectrum, you know, everyone who's from the private sector certainly paying taxes and also contributing to the economy.

So for those of you who may not know, my name is Jonathan Alward, and I'm the Manitoba director of provincial affairs for CFIB. And at CFIB we're passionate about small business. Because of their massive contributions to the economy, employment, and our communities, we believe that small businesses deserve a strong voice in government decisions. And we provide a credible, reasonable, and effective way for small businesses to

participate in our political process, just like big businesses and certainly like unions do.

We represent 109,000 independently owned and operated businesses across the country, including 4,800 right here in Manitoba. And we're strictly non-partisan, non-for-profit organization. And our members are located in every region of the province and in sectors that closely mirror the province's economy.

\* (19:30)

Every CFIB policy position is set by direct feedback from our members through accurate, regular surveys, which operate under a one-member, one-vote system. And our views are strictly based on the results of these surveys, so it is with great confidence that I can present here on behalf of our 4,800 members in Manitoba and express their strong support of Bill 28.

We commend the Manitoba government for bringing forward Bill 28 to help address the Province's unsustainable spending trends by keeping public sector wage growth sustainable. This is a necessary step towards helping Manitoba fix its fiscal fundamentals.

For many years, CFIB members in Manitoba have cited both the total tax burden and government debt as their two top most concerning issues for their business, so I was pleased to reiterate this with, certainly, members of the government and members of the opposition parties this past winter. And our members know that the Province's net debt has nearly doubled over the past decade with the deficit projected to be \$840 million this year. They also importantly understand that today's deficits and growing debt will become tomorrow's tax increases. That is why fiscal restraint is needed now, not later, so it's imperative that the government takes the action necessary to get back to balanced budgets as soon as possible.

With 2017-18 summary expenditures increasing by 3.1 per cent, it will be extremely difficult for the government to balance the budget by 2024, let alone any earlier. According to our own internal projections, the Manitoba government must hold expenditure growth to no more than 2.8 per cent annually to return to balanced budgets by no later than 2024, as committed. The Province needs to bend their cost curve and return to sustainable growth levels, and that is why our members want the government to balance when—sorry, excuse me—

When CFIB members were asked how the government should go about bending their cost curve to get back to balanced budget, 90 per cent supported reducing spending through government programs which included reducing the size of government, freezing government wages, and through programs.

As the Premier (Mr. Pallister) has alluded, the provincial civil service makes up roughly 70 per cent of all provincial spending, so Bill 28 is the best place to begin reducing the government's costs. In CFIB's Wage Watch, a detailed analysis of the 2011 national household survey data on full-time earnings by occupation shows that Manitoba public sector employees are paid nearly 20 per cent more than similarly employed individuals in the private sector. To be exact, that is 19.5 per cent.

While Bill 28 will begin narrowing the public-private sector wage gap, more work needs to be done to bring wages, benefits, and hours to levels comparable with the private sector norms in the province. CFIB data shows a strong majority of Manitoba small-business owners are looking for the Province to reduce civil service costs. Individual member comments offer many specific ideas of how to drive these cost savings, and these are specific quotes from our members in most recent surveys. So eliminate duplication of services; reduce wages and benefits through collective agreements; reintroduce balanced budget legislation; lead as if it was your own money; get pensions, benefits, and wages more in line with the private sector; and another one is just simply shrink the size of the provincial civil service.

While Manitoba's small-business owners strongly support Bill 28, I'd like to recommend two additions to this legislation that would further the government's efforts to return to balanced budgets and sustainable spending trends. While freezing public sector wages is a positive first step, it only addresses one part of the province's labour spending problem. Manitoba also needs to reduce the size of its government.

The former government's 2012 Throne Speech committed to reduce the size of the civil service by 600 positions over three years. Although these were in fact implemented, despite these steps, Manitoba's civil service remains significantly larger than the 2005 level. So, clearly, an opportunity exists to find savings by reducing the size of government. So strong action must be taken now with a clearly defined plan to reduce public sector labour costs across government to ensure that the civil service

remains sustainable and operating as efficiently as possible in future years.

When asked how the Province can return to balanced budgets, 98 per cent of members supported the government reducing the civil service through workforce attrition. Other provinces have proven ambitious civil service reduction goals can be realized without negatively impacting government service levels. For example, our neighbours in Saskatchewan committed to reduce their civil service by 15 per cent over four years. In between 2010 and 2014, over 1,900 positions were eliminated primarily through attrition, which resulted in nearly a \$200 million in cumulative annualized savings. Manitoba has an excellent opportunity to do the same exercise. According to the Manitoba Civil Service Commission, 23.1 per cent of civil servants are eligible for retirement here in the next five years.

However, the provincial government is not the only government in Manitoba facing these same labour cost challenges. Many of Manitoba's municipalities are facing similar challenges where unsustainable labour cost growth is forcing local governments to make difficult decisions and often raise taxes. There's only one taxpayer, so CFIB further recommends for this government to take action to ensure that municipal labour spending also respects a municipal government's ability to pay.

Recently, in British Columbia, the Union of British Columbia Municipalities, which is the AMM's counterpart in British Columbia, recently released a series of recommendations to all political parties in BC for the upcoming election. In their submission, the UBCM called for the BC provincial leaders to commit to assist local governments in controlling a key cost driver while still responding to a full challenge of public—excuse me—a full change of public safety challenges. And to do so, they recommended reviewing the arbitration process within essential services labour relations agreements, with a specific focus on a local government's ability to pay and by collaborating and proposing changes that would mitigate the cost pressures of arbitrated settlements, including having the Province exercise its statutory authority to specify that arbitrators are giving consideration to local conditions.

CFIB believes that these changes can help correct unsustainable labour cost growth facing Manitoba's municipal governments as well.

Make no mistake, the provincial government has taken often positive action to improve Manitoba's

small-business climate, and Bill 28 is a step towards this goal. But, even so, the Province can no longer continue with its moderate deficit reduction policies, which we all know will not solve the problem. We agree that—and this is an excerpt from the Throne Speech—good governments make difficult but necessary decisions, giving thoughtful consideration to both short-term benefits for their citizens and their ability to pay, to secure a sustainable and prosperous future.

Business owners understand that today's deficits are tomorrow's taxes, so CFIB will continue to push for the Province to make these difficult but necessary decisions to fix our finances, repair services that Manitobans rely on, rebuild the economy and put our province back on a responsible fiscal track.

As a big voice for small business in Manitoba, CFIB will continue to be a strong advocate for reducing costs that private—sorry, excuse me—the public sector, as it is a significant portion that must be addressed when the Province looks to reducing spending.

We look forward to seeing Bill 28 receive royal assent, and we once again commend the government for introducing this legislation, and we're confident that a strong majority of Manitoba's small-business owners and employees will as well.

Thank you.

**Mr. Chairperson:** Thank you for your presentation, Mr. Alward.

**Mr. Friesen:** Thank you, Mr. Alward, for being here and representing the views of your group and of CFIB.

I wanted to ask you a question having to do with section 14.2 of the bill. That's the part that describes the ability for management and labour to remain in consultation and dialogue and identify additional areas for savings.

You spoke specifically in your presentation about the need for efficiencies in government. Do you think it is reasonable and possible that in dialogue and conversation, management and labour could, at the bargaining table, identify additional areas for reductions that could then go back in form of additional wage awards?

**Mr. Alward:** Thank you, Minister, for the question.

I can certainly say that when we met with you and when we met with leaders from the opposition

parties, we certainly reiterated a desire to bring forward constructive feedback to find solutions, and I certainly believe that labour leaders, as well, have a, certainly, a similar obligation, and I have no doubt that they could find many efficiencies by looking within existing structures.

**Mr. Lindsey:** Thank you, Mr. Alward, for your presentation.

I won't delve too deeply into your charts and facts tonight that 48,000 members, and 300 responded, and you get 90 per cent and somehow that's a voice of Manitobans.

But my question for you is: How would your members react—and maybe you could do a survey on this—if the government told them that they cannot make any more profit tomorrow than they made today?

\* (19:40)

**Mr. Alward:** Well, look, I certainly appreciate the question, Mr. Lindsey, and I'd like to respond with a story, if everyone would indulge me.

Just after the provincial budget, I was speaking with a member who was very concerned. He's never been engaged as an activist in any capacity whatsoever, but he said to me, if you want to make change, you have to get off the sidelines. So he contacted us and he wanted even to speak to media, because he needed to share his story.

So in 2015, he had a rough year at his business. It's a relatively local small business, quite a stereotype. And significant change in their staff had showed that they were paying considerably more taxes. In this particular case, I believe it was the post-secondary education tax levy—the payroll tax, for layman's terms. And in that case, he said that the business lost a significant amount of money that year. Himself and his spouse who also works with the organization, they both had to take pay cuts. The business lost somewhere around \$65,000 and they had—they were unable to give any increases to their staff.

Certainly this year, they reorganized, and they were able to find money to give their staff increases and they had a better year. But it really speaks to the point that if public sector companies are cash-strapped, if they're unable to have increases in their own salaries, then certainly, given the same financial circumstances, I don't believe that it's fair that public sector employees should as well.

**Mr. Lindsey:** Thank you for that, but I guess you didn't really answer the question.

The question is: If the government mandated without consultation to your members that they could not make any more profit tomorrow than they made today, would your members support that?

**Mr. Alward:** Look, given the Province's fiscal realities, you know, certainly small-business owners are seeing that strap-cash-strapped mentality right now. If we do not do anything to adjust this, then we're going to see higher taxes in the future, and they're going to see reduced profitability as a result. And, certainly, what we're looking for is the Province to take steps to become sustainable in their spending growth, so this can not only reflect the private sector's growth, and certainly we'd like to see them all have better wages for their employees as well, but certainly sustainable services so that public sector employees can continue to keep their jobs and salary increases in the future.

**Mr. Friesen:** I just have one more question for you, Jonathan—or Mr. Alward.

I noticed that you're the director of provincial affairs for Manitoba. I don't know if you have the Saskatchewan desk or not. In the recent weeks, there have been—you know, there's been information coming out where the Saskatchewan government is describing a four-year zero period and possible wage rollbacks of 3.5 per cent.

I wonder if you could reflect in a second on these two approaches and other approaches that you've seen from governments that are struggling to balance the books and to create sustainable economic conditions for their citizens.

**Mr. Chairperson:** Unfortunately, our time for question period has run out.

Okay, we'll let you respond to this, Mr. Alward.

**Mr. Alward:** Certainly. Thank you.

Thank you, Minister. I'll be brief.

Look, there are different circumstances facing every province across the country, and certainly the government in Saskatchewan has made some very difficult and very controversial decisions, but they certainly reflect in the case of the wage reductions. As you've mentioned, they certainly reflect the fiscal reality of the province.

**Mr. Chairperson:** We thank you for your presentation, Mr. Alward.

We will now—new—move on to the next presenter: Beatrice Bruske—Bruske. If you could please give me the proper pronunciation of your last name, I would appreciate it so I don't—

**Ms. Beatrice Bruske (United Food and Commercial Workers, Local 832):** The second time was correct—Bruske.

**Mr. Chairperson:** Bruske? Okay. Bruske?

**Ms. Bruske:** Bruske.

**Mr. Chairperson:** Bruske. Okay, that's what I thought you said.

Do you have any written materials for distribution to the committee?

**Ms. Bruske:** I do not.

**Mr. Chairperson:** You may proceed with your presentation when ready.

**Ms. Bruske:** Good evening. My name is Beatrice Bruske, and I'm speaking on behalf of United Food and Commercial Workers, Local 832. We represent approximately 2,000 public sector employees in the health-care field, and in seniors' facilities, and non-profit organizations, and approximately another 1,000 or so dealing with community service organizations and school divisions.

As a union, we understand tough bargaining. We bargain with many private sector employers across this province in a wide range of industries. We understand that sometimes employers get into dire financial situations and can't afford increases or are asking for financial concessions at the bargaining table.

In those situations, as a union representing our members, we ask employers to provide the okay for an independent auditor to review financial records so that we can jointly determine whether or not there is, in fact, a fiscal crisis that needs to be addressed. When this is agreed to on the employer's behalf and that's done, we come together and collectively bargain a collective agreement trying to strategize and problem solve and find solutions to the issues. After all, it's in everyone's best interest to ensure that that employer succeeds and that those services continue and that our members have good jobs that they can afford to raise a family on.

Similarly, in public sector negotiations, we understand that, at times, there is a rationale for freezes or concessions. Unions in Manitoba, including our own, have agreed to wage freezes

before, including the ones that many members are going through right now. However, when this has happened in the past when unions have agreed to wage freezes in the public sector, it has been after consultation and after discussions at bargaining tables and looking at alternatives.

What I'm frustrated about is the heavy-handedness of the legislation that's being tabled. It will have a very real impact on our members and on public sector employees in their workplaces. Public sector workers are already stretched thin when it comes to workload and staffing levels. Now, not getting an annual increase is going to stretch them further.

We have members who are social workers, pharmacists, lab technicians and many others who tell us that if their wages are not comparable to other provinces—[interjection]

**Mr. Chairperson:** You can carry on.

**Ms. Bruske:** Okay. We have members who are social workers, professionals in the health-care field who tell us that if their wages and benefits do not carry similar wages comparable to other provinces, they may well leave Manitoba in light of greener pastures.

Many people assume that anyone working in a field dealing with public dollars makes a great salary. That's simply not true. Many social service organizations that we represent, starting wages are right around the \$12.00 mark, and those are folks that are dealing with some of Manitoba's most vulnerable people dealing with group homes, seniors' residences, women shelters and the like.

The turnover in staff in those particular facilities is critical to keep that turnover in staff low. The low wages in that workplace means that residents are likely going to have to deal with many new staff coming in and not having a consistent staff member being able to assist them dealing with health-care needs, dealing with violence against women issues for IKWE women's shelter, for example, those types of members that we represent. And it's very difficult to maintain very good quality long-time staff that know the challenges that people in those community organizations are faced with and are dealing with. And it's very important to be able to build up that clientele that has that knowledge and has that interest and cares about the members and the clients and the residents accessing that service.



In addition to that, our children in the school systems are going to be impacted now that teachers are going to be stretched further than ever with lifting of classroom cap sizes and increasing the expectations that wages are not going to increase for a number of years, not to mention the 'potential' turnover in staff there, as well, dealing with teaching assistants dealing with some of our children that need additional supports within their everyday school reality.

I have a son with special needs. He relies on his teaching assistant to ensure that he gets the additional assistance that he needs in school so that he can actually navigate his school work and achieve success and be able to graduate and be able to become a productive Manitoba citizen. By having a new teaching assistant every couple of months or every year or so, because we can't keep those folks, that's going to impact my son's education.

To simply legislate wage freezes without talking to workers at the bargaining table and without understanding the challenges that they go through is very exceptionally severe. I think that it's wrong. Unions have been respectful in terms of trying to find solutions to problems when we've met at the bargaining table and had an opportunity to understand what the issues are and to have the employer understand what our issues are what our needs are, and to be able to strategize and collectively look at solutions and potential alternatives rather than just legislating wage freezes.

We're asking you to reconsider Bill 28, and to instead come to the bargaining table and bargain collectively in good faith with the unions.

**Mr. Chairperson:** Thank you for your presentation, Ms. Bruske.

**Mr. Friesen:** Thank you, Ms. Bruske, for your presentation this evening.

**Mr. Lindsey:** Thank you for your presentation.

Something intrigued me by your comment, and correct me if I'm wrong, you said some of your members were already on wage freezes that they'd collectively bargained previously, so this, now, would stretch out that wage freeze for a couple of more years on top of what they've already endured.

\* (19:50)

**Ms. Bruske:** Currently, we have an expired collective agreement for our health-care support

workers. So they, right now, are without a collective agreement.

So, as the processes that are taking place with Bill 29 and Bill 28 intertwine, they're going to have an exceptionally long time, I'm assuming, before we actually get to a new collective agreement and before they can actually start looking at potential wage increases down the road. We have, in the past, agreed to zero wage increases in a number of collective agreements dealing with government employees.

**Mr. Lindsey:** I thank you for clarifying that for me and really pointing out the fact that four years may be six years, maybe longer than that; it's very unfortunate for your members.

**Mr. Friesen:** I'm just going to respond, Ms. Bruske, in order to bring a clarification about a provision of the bill.

The bill prescribes a time-limited period, a four-year period, and the language of the bill that's contained there clearly describes that the period would be a four-year period, not a six or eight, so even for negotiations that are under way, it would reach back to a start date. It would prescribe those two years of no increases and then the 0.75 and the 0.1, but not a six- or eight-year period of recovery.

So this is a fair and balanced approach that's meant to apply to all groups in the same manner, but I did not want to allow that misinformation to continue to stand.

I'd invite your response in any way you want to give it.

**Ms. Bruske:** Thank you for that, and yes, I do recognize that the bill requires a four-year period that would go back to the expiry date of the collective agreement.

What concerns me, though, is that in year 3, it's a 0.75 per cent wage increase. We fully expect that in order to maintain the current benefit level for the benefit plans that the various different public sector employees are a part of, we'll likely also need an increase in terms of contribution levels, right? My understanding is that that 0.75 needs to be able to pay for any additional costs within that collective agreement in the third or fourth year with that 1 per cent in the fourth year, and so that is concerning, and, of course, the longer it stretches out before we actually get to negotiations, it does put some additional pressure on some of those points.

**Hon. Jon Gerrard (River Heights):** Thank you for presenting here, and my question, really, is just this: Was there any attempt by the government to negotiate at all before coming in with this bill?

**Ms. Bruske:** I'm not aware that there has been any discussions in terms of bargaining coming up, in terms of coming to the bargaining table with proposals and with ideas or information identifying that there is a need for fiscal restraint in the first year of a collective agreement in any of the collective agreements that are open for us currently.

**Mr. Chairperson:** We thank you for your presentation, Ms. Bruske.

We will now proceed to the next presenter.

Norm Gould, Manitoba Teachers' Society. Do you have any written materials for distribution to the committee?

**Mr. Norm Gould (Manitoba Teachers' Society):** Yes, I believe I do. Good luck trying to find it here.

**Mr. Chairperson:** You may proceed with your presentation when you are ready.

**Mr. Gould:** My name is Norm Gould and I am the president of the Manitoba Teachers' Society, representing over 15,000 public school teachers and taxpayers from across this province.

The Manitoba Teachers' Society is dedicated to safeguarding the welfare of teachers, the status of the teaching profession and the cause of public education in Manitoba.

I'm here tonight on behalf of teachers to denounce the imposition of Bill 28, The Public Sector Sustainability Act. Bill 28 is a betrayal of promises and commitments made by this government and, in particular, by a Premier (Mr. Pallister) who claims to have respect for collective bargaining as a former teacher and union guy.

The Manitoba Teachers' Society recognizes that there are fiscal challenges—we are well aware that this province—and that there is a provincial deficit that should be addressed. We even agree with the government's eight-year timeline to return to balance. However, we disagree with the assertion that the only way to achieve balance is to legislate wage freezes and cut the services that Manitobans count on and value.

Every day, Manitoba's teachers work with our province's greatest resources, our students. Every student is unique; some speak different languages at

home; some are adjusting to a new life in Canada; and some have special needs that require them to learn differently. Today's classrooms are more complex than ever and teachers are there on the front lines, doing their best to make sure every student develops the tools they need to learn and grow.

What is proposed in Bill 28 is disrespectful to teachers and all Manitobans. Time and time again, we have been told that all hands on deck are required to deal with the fiscal challenge, but in reality only one sector—only one sector—in Manitoba is being forced to pay the price, and that is the public sector.

Five months ago, I was invited to join other public sector unions at a meeting with the Minister of Finance, Mr. Friesen, and his officials to strike what was called the Fiscal Working Group. We were optimistic that we would be able to work with government to develop options to improve the government's fiscal situation, but it quickly became clear that the government had no intention of listening to or working with labour, as they refused to provide pertinent information repeatedly upon inquest, answers—or answers to our questions or respond to our recommendations.

I'm disappointed that despite their assurances to the contrary, the government has chosen to ignore alternatives to this repressive legislation and instead move forward with getting back to balance on the backs of public sector workers and, in particular, teachers across Manitoba.

During the lifespan of Bill 28, inflation will rise along with the cost of living, thereby eroding the purchasing power of teachers. Combine the wage freeze with a cut to education funding, and it is clear that over the coming years, our teachers and students will be forced to do more with less.

Based on the current number of Manitobans working as teachers, over the next four years teachers will have contributed \$217.5 million in lost income to the Minister of Finance (Mr. Friesen) and to this government. By coincidence or by slight of hand, while Manitoban—Manitoba teachers forego purchasing power totalling \$217.5 million over four years, the government will have added into its rainy day account, also known as the Fiscal Stabilization Account, \$225 million—absolutely shameful—over the next four-year window.

In his analysis of the 2017-2018 budget, renowned economist and former dean of the Asper School of Business, Michael Benarroch expressed

surprise at the government's decision to increase its contributions to the Fiscal Stabilization Fund in order to grow the fund from 115 to 225 million dollars. The intent of this fund is to balance the government's borrowing requirements over time by growing the fund during times of surpluses and minimizing its contributions during times of deficits in order to lessen the requirements for external borrowing during difficult fiscal times, as we are told we are currently experiencing.

By borrowing \$110 million today to contribute to its rainy day fund, the government is contradicting its own objectives to balance the budget, because instead of reducing the deficit, they are actually adding to the deficit.

I agree with his recommendation that instead of contributing to the fund, the government should be drawing from the fund by 15 to 20 million dollars per year for the next five years. Then once the Province returns to balance, the government can revisit its contributions and begin injecting money into the fund.

In the end, Bill 28 disproportionately places burden of budget cuts on public servants and consequently affects the quality of the services they provide. We do no doubt—we do not doubt, pardon me, that salaries are a significant component of government expenditures, there's no doubt about that, but it is important to highlight that government services and programs benefit all Manitobans.

As is the case with other public sector unions, the Manitoba Teachers' Society remains committed to working with the Manitoba government to address these fiscal challenges in an authentic, meaningful way.

But sadly, if the last five months are any indication, commitments to work with labour on the part of this government are nothing more than lip service and false platitudes. I've sat at those meetings with the government officials. We tried to provide alternative options and strategies for this government to help them return to balance within eight years. Labour committed to work collaboratively with the government and to work in good faith at the bargaining table to seek solutions with our employers.

Unfortunately, our proposals and openness to work with government were repeatedly dismissed. So now here we are collectively urging you to defeat this bill so that we can try to find a solution that is

based on collaboration and good faith, and not division, and confrontation, and simply checking off a box that people have met with labour.

Since 1947, Manitoba's teachers have worked with our employers, the school boards, to bargain in good faith, to seek solutions and reach compromises at the bargaining table without confrontation. This is the case because our right to strike was supplanted with interest arbitration. The foundation of this model is based on equity and equality at the bargaining table and it is a model that has worked for teachers and school boards for many, many years.

But, most importantly, it has worked for our students and their families, as unlike other provinces, we have enjoyed labour peace, which means our students have not had their educational paths disrupted. This is an excellent example of how labour and government can work together to reach a solution that benefits everyone.

So, on behalf of Manitoba's 15,000 teachers and taxpayers, I call on you to defeat Bill 28 and trust that all Manitobans want to work together for the betterment of this province. And when we say all hands on deck, it means all hands on deck, just not one sector.

Thank you very much.

\* (20:00)

**Mr. Chairperson:** Thank you for your presentation, Mr. Gould.

**Mr. Wayne Ewasko (Lac du Bonnet):** Thank you, Mr. Gould, for coming in tonight and giving us your presentation, including your written submission as well, and sharing the copy of it with absolutely all of us around the table tonight.

On—in your third paragraph of your written and your verbal statement today, you mentioned that Bill 28 is a betrayal of promises and commitments. I remember back in the election of 2011, and I was wondering where the 15,000 teachers that you represent stood on the fact that many members of the NDP side, the Selinger government, went door to door and basically promising not to raise the PST. I'd like you to make a comment about that, Mr. Gould.

**Mr. Gould:** Commitments made during election periods are the reason why Manitobans make those decisions that they do to empower government to act on behalf of all Manitobans, not one particular sector or to seek out and go after a particular sector. What took place this past year is truly a betrayal in terms

of the commitment to protect front-line services. And that is not, obviously, going to be taking place with the imposition of this Bill 28. So we take that very, very seriously, the responsibility on the part of government and commitments made.

**Mr. Chairperson:** Mr. Ewasko.

**Mr. Ewasko:** Thank you—

**Mr. Chairperson:** Sorry. Mr. Swan first.

**Mr. Swan:** This is a serious matter and I have a serious question, but I thought Mr. Ewasko was going to beat me to it. I just want to congratulate you on going into the Manitoba Curling Hall of Fame last night with the McFadyen team. It's a great honour for you and well deserved.

But the question I have—I do read my teacher magazine that every member of this Legislature gets, and I did notice the change in your tone and your calm from cautious optimism a year ago to your latest column, which was very obviously the result of a lot of frustration. Is it primarily Bill 28 and the circumstances surrounding it that has changed your view of this government's willingness to work with teachers? *[interjection]*

**Mr. Chairperson:** Mr. Gould.

**Mr. Gould:** Pardon me. Thank you.

Bill 28 is part of this, but it is a culmination of a number of promises and commitments that have not been fulfilled. Certainly, in the Bill 28 debacle that I would say began January 5th, and has commenced since that time, where we as labour, in good faith, presented a number of options, and we have not—to this date, we have not received any feedback whatsoever on those options.

Then we had the budget—the Education Budget for 2017-2018 where it was an increase of 1 per cent, or \$13.1 million, which certainly hamstrung school divisions across this province. And then, finally, the removal of the class size cap, K-to-3, 20, has had a huge impact. And so, when you look at all those things in sum, my optimism has turned to a degree of pessimistic as well as cynicism.

And I just want to wait and see, and certainly I hope that through this presentation today, I am committing on behalf of the Manitoba Teachers' Society to meet with government, come up with viable options. And every one of my members recognizes their part in this provincial deficit. It is

not a public sector deficit, and it is treated—being treated as a public sector deficit.

**Mr. Ewasko:** I know that I did have a question a little bit earlier, but Mr. Gould actually put on the record that—just recently, answering Mr. Swan's question, that there was an actual increase to public education funding as opposed to the—in his written submission, he says that there was a cut to education.

So, I'm glad that Mr. Gould corrected the record on his own.

Thank you, Mr. Chair.

**Mr. Lindsey:** I'll save my question to Mr. Kinew.

**Mr. Gerrard:** Yes. Thank you for coming here and being so clear in your presentation.

I had the chance to talk to a teacher who's from Manitoba and—but he's now contemplating moving somewhere else, and it's partly because of this legislation and what's happening under this government. Do you think that is—he is representative of other teachers who may now be looking at going elsewhere because of what's happening?

**Mr. Gould:** Certainly, I think that, whether it's a graduate from university or someone in the career, certainly questioning their place here within the province of Manitoba as a respected profession and having our years of education and experience recognized and respecting the profession in its entirety. And so, I hope that that is not necessarily the case with an abundant of teachers in the province of Manitoba, but certainly, on a case-by-case basis, this is affecting people negatively in a variety of ways.

Thank you.

**Mr. Lindsey:** Thank you for coming and giving us your presentation tonight. Certainly, teachers are a pretty important cog in the big wheel of things, as far we go.

Do you have any sense that the government has talked about—they want to discuss ways of reducing costs going forward? Do you have any—any sense of whether that's a realistic expectation at this point in time, or whether they're just going to continue to steamroll?

**Mr. Gould:** To coin a phrase—

**Mr. Chairperson:** Mr. Gould, our time is up, but I'll let you do a quick response to that.

**Mr. Gould:** Oh, thank you very much. To coin a phrase from Mr. Irving at all of our meetings, who was unable to answer any question other than to say, I read the papers the same as you do, and what the government wishes to do is being portrayed in the papers, I have not received phone calls. Thank you.

**Mr. Chairperson:** We thank you for your presentation, Mr. Gould.

We will now call on Paul Moist, private citizen.

Do you have any written materials for distribution to the committee, Mr. Moist?

**Mr. Paul Moist (Private Citizen):** I do.

**Mr. Chairperson:** Once that has been looked after, you may proceed with your presentation when you are ready.

**Mr. Moist:** I worked for 41 years as a public employee here in Manitoba, including 32 years as a full-time official with CUPE until my retirement just about a year ago, and I speak tonight as a private citizen.

I note with interest the Premier's approach to labour relations in general and public sector unions in particular. His words speak volumes.

Back in April of 2016, just before the election, quote: I do not believe in a province that's run by CUPE.

Moving to December 8th, 2016, as on the CBC.ca website: Union bosses have to understand this is positive for their members. Speaking about health-care reorganization legislation, which we hadn't seen then, but subsequently, it's being dealt with down the hall.

A year-end interview, December 28th, 2016 on CBC's website: The union movement is not its leaders.

And last—there could be more, but I had to restrain myself—the last one I'll use is from March of this year: Public sector leaders have had it fairly good for quite a while. They've basically run the government, and really, the bargaining table wasn't necessary; it was treated as a buffet table for a long time. Close quote.

Bill 28 attempts to justify setting aside fundamental labour rights due to, quote, the fiscal situation of the province. Close quote. The government asserts that principles of responsible fiscal

management demand that bargaining rights be set aside. Were it so easy.

Bill 28 fails two important tests. No. 1: There is no fiscal crisis in Manitoba. There are challenges and they need to be dealt with, but there is no crisis. Our economy continues to grow at a rate faster than government spending and debt servicing costs are at their lowest in two decades. Setting the political goal of cutting the PST by 2020 will make balancing the deficit more difficult.

It is the responsibility of all Manitobans working with government to manage provincial finances, not just the responsibility of public employees.

The second test it fails, this is 2017, the 35th anniversary of our country's Charter of Rights and Freedoms, and the Supreme Court has weighed in on collective bargaining rights throughout the period of the charter.

Three—a new trilogy starting in 2007 that you should be mindful of: BC-held services. Section 2(d) of the Charter protects the right of employees to engage in a meaningful process of collective bargaining.

Building on that, in 2015, the mounted police association of Canada case. The court said: It follows that the right to a meaningful process of collective bargaining will not be satisfied by a legislative scheme that strips employees of adequate protections in their interactions with management so as to substantially interfere with their ability to meaningfully engage in collective negotiations.

\* (20:10)

And the third leg of the new trilogy comes out of the Saskatchewan Federation of Labour case. Again, 2015, which affirmed that the right to strike was a fundamental component of the right to free collective bargaining protected by section 2(d). The court summarized the emergent trend in labour rulings, Madam Justice Abella writing for the majority.

Clearly, this was the court talking to all of us. Clearly, the arc bends increasingly towards workplace justice. The arc bends increasingly towards workplace justice. Bill—this bill that we talk about tonight completely offends the orientation of our court today when it comes to public employees' right to engage in free collective bargaining. The court's been clear: no right to an outcome from collective bargaining. You got to go to the table, you got to talk. Sometimes you negotiate zeroes. You

trade it for something else. But we have a right, not a privilege, a right in 2017 in Canada to engage in free collective bargaining.

Bill 28 should be withdrawn. It offends the collective bargaining rights of public employees. Workers do not agree with its heavy-handed approach, and we submit that the Supreme Court of Canada will reject it as well as a violation of our Charter-protected rights to free collective bargaining.

**Mr. Chairperson:** We thank you for your presentation, Mr. Moist.

**Hon. Eileen Clarke (Minister of Indigenous and Municipal Relations):** Thank you, Mr. Moist.

Wanted—appreciate you taking the time to join us here in this committee tonight so that we have the opportunity to listen to the views of not only your group, but all others represented here tonight.

**Mr. Lindsey:** Thank you for coming tonight, Mr. Moist.

Something you touched on towards the end of your presentation that sometimes in your experience with negotiating collective agreements as a union leader, your union, your group has agreed to zeroes, but generally, that in the collective bargaining process is a process where you give that up in exchange for something else. Now in this case, there's been no exchange. It's just been mandated that you're going to get zeroes. Do you see that as impacting not just that right, but also impacting your right to freely negotiate other things in a collective agreement?

**Mr. Moist:** Well, I do. The answer is yes to that question and I note—I didn't include it in my remarks because we're restricted to the time we have, but I note some remarks from government recently, from our Finance Minister, as quoted in Maclean's magazine: Finance Minister Cameron Friesen wouldn't rule out further moves to cut labour costs. The government has already floated ideas such as cutting pension benefits or forcing workers to take unpaid days off. Our conversations with labour are ongoing. They don't stop here with this bill.

And that's an interesting way to approach to public sector bargaining. The place to talk about pensions, vacations, wages, work rules is at a collective bargaining table where we represent our members and I think, in Manitoba's history, responsibly represent our members. For the First Minister of this province to have called collective bargaining, not a bargaining table but a banquet

table, I leave it to yourselves to judge what you think of that approach to labour relations.

It's Neanderthal and the Supreme Court won't agree with it and it doesn't cut the mustard with workers in this province.

**Mr. Lindsey:** I thank you very much for your answer to that question.

And it's certainly is very telling about the whole negotiating process, that this bill really just touches the tip of the iceberg when—what the effect is going to be on the whole process going forward. So I thank you for coming out and answering those questions and certainly sharing insight into your years of experience at the negotiating table and I guess we look forward to seeing the outcome of some of those challenges down the road—unfortunately, down the road. Thank you.

**Mr. Gerrard:** Yes, thank you for coming, Paul, and talking so clearly.

I take it from your comments that you're of the view that if this bill passes that it will be challenged in court and it would be struck down in court in its entirety.

**Mr. Moist:** Again, I speak as a private citizen, and I watch what goes on with labour relations in the court over the last 35 years very carefully. I do think that this legislation flies in the face of where our court is headed.

In the early years of the Charter, the rulings were not favourable towards collective rights, but there has been a change on our court and the new trilogy that I just referred to and, again, I want to be clear the court is crystal clear on this point, there is no guarantee in collective bargaining of getting anything, but the right to go to a table as equals and engage in free collective bargaining is fundamental to our country.

And so I think the government is very close to a line here, and I leave it to others, you have current elected leaders here who spoke eloquently and will again speak, they are the ones in charge of the labour movement now, not me. But as a citizen of the country and one who watches the goings on of the court carefully, there's no need for this bill, it's offensive in the extreme and a whole bunch of money is going to be spent if and when this bill is struck down for no purpose.

**Mr. Wab Kinew (Fort Rouge):** Thanks for your presentation this evening. So I just wanted to ask a

question drawing on your experience negotiating over the years. I noticed in your submission to the committee tonight you made a few references and quotes about meaningful bargaining processes. So I was just wondering in—based on your experience, whether a bargaining process where the outcome was dictated by one side would be meaningful?

**Mr. Chairperson:** Mr. Moist, we are out of time but I will allow you to do a quick answer on that.

**Mr. Moist:** No, it can't possibly be meaningful. I spent a lot of my career at Winnipeg City Hall representing civic employees. I recall a council in the mid-'90s wanting to destroy collective bargaining. That gentleman phoned me, the only time he ever phoned me directly in my office, Premier Filmon, and said the government would not give Winnipeg City Council the legislative right to bonk us on the head, that we should be responsible in bargaining and I think that five-year agreement we signed was zero, one, CPI, CPI, CPI. CPI was under 2 per cent, and it was freely negotiated. It was a very difficult collective agreement, but it was ratified. And it was his phone call and his saying no to Winnipeg City Council that allowed civic employees to go to a bargaining table and bargain a very tough agreement. So—

**Mr. Chairperson:** Mr. Moist, your time is expired, so if you could wrap up please, it's over six minutes already.

**Mr. Moist:** I'm fine. Thank you for the question.

**Mr. Chairperson:** Thank you for your presentation, Mr. Moist.

I will now call on Michelle McHale.

Ms. McHale, do you have any written presentations for the committee?

**Ms. Michelle McHale (Private Citizen):** I do not.

**Mr. Chairperson:** You may proceed with your presentation when you are ready.

**Ms. McHale:** Thank you. My name is Michelle McHale. I am an advocate for environments that are inclusive of all people and families. I am the Solidarity and Pride Vice-President for the Manitoba Federation of Labour, and I advocate for leaders of every kind to act equitably and in accordance with human rights legislation. It is from a human rights perspective that I will speak with you today.

Although I now work with the United Food and Commercial Workers Union, I've spent the last

12 years working in health care; three years as front-line staff and nine years supervising front-line staff. During this time I have seen first-hand the way that health-care services are taxed and the impact that it has on staff. At the same time, I've watched my staff and my colleagues, who earned more than minimum wage, struggle to provide for their families because the costs of living far exceed so many, even two-income households.

I, along with many others, have watched this government operate for a year now. Time and time again I have seen a blatant lack of understanding for the importance of equity and equitable representation when making decisions. Included in that is a lack of understanding of how these decisions affect people differently depending on their life circumstance. There is a consistent disregard for people who do not hold the same financial and/or life circumstances of those in this government's party.

\* (20:20)

Furthermore, the language that you have used for this bill, public services sustainability, is not honest. It irresponsibly plays on fears of those who may not have the information, education, or capacity to challenge this government and government bureaucracy properly.

To sustain public service, what we really need is to start looking at root causes of the reasons people access public service and look at what we're doing to disadvantage people before denying them wage increases. This government has taken a paternalistic approach from the beginning. There is an apparent lack of understanding regarding how these decisions affect people differently, depending on their life circumstances, as I previously mentioned.

Additionally, for this government to take a 20 per cent increase in their own salaries when newly on the job, while simultaneously planning to suspend hard-earned increments for the people who work day and night to care for all of us and our families during some of the most difficult times of our lives—in this context, is quite literally stealing from the less fortunate and giving it to the well-off.

This government needs to be making decisions with all Manitobans in mind. There appears to be a significant lack of knowledge about the cost-of-living realities and the stress and strain that this puts on the health, well-being, and quality of life of Manitobans with the wages that they have.

Some also say that services will not suffer; they will get better. Yet this government has demonstrated that one of their decisions to improve service has already removed accessibility to care in the St. Boniface community as well as removed access to French language services when the QuickCare clinic in St. Boniface was closed.

This one example creates unnecessary—shows how it creates unnecessary difficulties for those who revert back to their mother tongue when ill, simultaneously removing an individual's right to care that respects their dignity. This issue may not seem like it has anything to do with wages or income; however, let's consider the single parent without a vehicle who needs to access medical care for their child or who needs every cent they can get because the cost of housing still dictates that some months there are choices between—to be made between paying bills on time and providing their children with food.

What about some newcomers that, yes, may have acquired positions with a health authority? You've already heard that wages in the health authority are not all substantial, but these people have spent everything and then some to get here.

What about the significant mental strain that health-care workers are under now as they wonder how long this government will actually continue with these kinds of tactics because it's already demonstrated that your word cannot be trusted?

The harsh reality is that when fiscal decisions are made, that disadvantaged Manitobans—it's the folks who are already disadvantaged for a myriad of reasons, that take the hit harder than others.

Considering all of the aforementioned concerns, it begs the question: When you gathered the data to make decisions, did you have equitable representation in your researchers or in your data collectors? Were these researchers and data collectors women, women of colour, people of colour, gender or—and/or sexually diverse people? Were the researchers and/or data collectors people who are not able-bodied? Were they newcomers, low-income earners, those trying to survive income assistance? Equally—were they equally represented at every meeting?

If they were not part of your data collection teams, if they were not part of every meeting that you gathered information from, without question, you missed out on important information. People

listen and hear differently when they have not encountered the barriers as a result of the aforementioned people's situations.

Government, including Manitoba's government, operates as a system that has historically worked hard to keep out and control those who are not white, affluent men. And despite the fact that this system has demonstrated itself to be elitist, sexist, and racist, you are proposing legislation that perpetuates elitism, sexism, and racism by choosing not to invest in this province's greatest resource, its people, creating further financial inequity.

Instead of using your positions of incredible privilege to make life better for all Manitobans, you've presented this bill that disregards the needs, the voices, and harsh life realities of those who need you to advocate for them the most. The people of Manitoba deserve honesty, integrity and consideration for their financial and life realities in a way that considers the resources and abilities of everyone. This bill does not deliver any of this.

**Mr. Chairperson:** Thank you for your presentation, Ms. McHale.

**Mr. Friesen:** Thank you, Ms. McHale, for your presentation.

There is many parts that I disagree with. A 'thew' things I'd like to challenge you on; first of all, I want to address head-on a factual inaccuracy you make. Wages are not set by MLAs for their own compensation; rather, they are made by a management committee that sets up those wages. However, what this government has done, and all members of the opposition also, have agreed to a zero per cent increase. We will not take an increase in our wage, annually, cost of living, for the remainder of this 41st Legislature. That is a four-year period, and to clarify and to speak head-on to a factual inaccuracy made earlier by one of our presenters by the Manitoba Federation of Labour, it is not a pause, and is not a deferral of a cost of living, it is actual giving back of cost of living. So it will not be a tap—a top out at the end of that process. It is important in this process to lead by example.

I wanted to address just one issue you raised, and it was the issue you raised about the inequity, and you talked about the fact that marginal income earners needed to be recognized, and I agree with you, because I agree that affordability matters. I've also read the research when it comes to affordability and we know that marginal income earners suffer



more greatly when it comes to something like an increase in tax, because a greater percentage of their disposable income has to go to provide for those essential services.

I wanted to know from you, when you're making comments like elitist, sexist and racist approaches, did you launch these same accusations at the former government in 2012 when they first widened the PST and then raised it a year later, bringing into government's revenues more than \$400 million every year. Did you challenge them in the same way? Because I did not see your name on the Bill 20 committee list.

**Ms. McHale:** Thank you for those interesting comments.

So, I believe that the issue at hand right now has nothing to do with where I was a number of years ago. However, having said that, I was not at that place at that time for a number of different reasons. However, I don't think that that has any—that gives any weight or takes away from the seriousness of the issue that's on the table right now that needs to be acknowledged, regardless of what happened in the past.

**Mr. Lindsey:** Thank you for coming tonight, Ms. McHale, and sharing your thoughts, and one of the things you talked about was very diverse group of individuals that make up the public sector.

Would you say that a good place to start a consultative process to try and capture all that diversity would be with some of their union leaders that represent those people?

**Ms. McHale:** It would be my opinion that that would be a good place to start, given that unions have been champions in the fight for human rights in workplaces for decades, so they have extensive knowledge on that—about that that goes back many years. So, yes.

**Mr. Gerrard:** Thank you so much for your presentation.

One of the things which is taken away when you take away the right to bargain collectively is the right for unions to advocate for those who have mental or brain health issues and those who are disadvantaged and it seems to me that one of the lost opportunities with this bill is the lost opportunity to try and address health in the workplace in a significant way.

**Ms. McHale:** I think, more importantly, when you take away the right to have conversations between

unions and employers, you lose the voices that are most important. Unions speak on behalf of their members, they don't operate on their own, so, yes, that would apply to a variety of needs, including health, finance, all of those things.

\* (20:30)

**Mr. Ewasko:** Ms. McHale, everyone in Manitoba has the opportunity to attend a committee meeting and bring their views forward to any bill that is being presented to this Legislature. But I'm taking exception to your words that you put on the record, and I will check when Hansard does come out, of being called a sexist and a racist, and I would appreciate an apology, if that's indeed what you have said, or a retraction.

**Ms. McHale:** I'm really glad that you brought that up, actually. So, when we take a look, when you say that everybody has equal opportunity to come and present to this committee, that, in fact, is false. You may say that anybody has the ability to walk through the doors and speak at this mic just the same as the next person, when the reality is, is that if somebody has a start in life that disadvantages them to the point where they are impacted significantly by trauma, it impacts their ability to be successful in school, it impacts their ability to have—excuse me—successful communication skills and strategies. It doesn't allow them to have an understanding perhaps of systems such as this where the process is complicated.

So it may not seem complicated to come in, but how is somebody who is struggling to make ends meet on a day-to-day basis, who maybe didn't get through high school, how are they supposed to know to register—

**Mr. Chairperson:** Ms. McHale, we are at over six minutes now, so if you could please wrap up as soon as you can.

**Ms. McHale:** How are they supposed to know to register, to follow the process, to do all of those things? It's not the same for everyone.

**Mr. Chairperson:** Thank you for your presentation, Ms. McHale.

We will now move on to our next presenter, Martin Trudel.

Mr. Trudel, do you have any written material for distribution to the committee?

**Mr. Martin Trudel (Private Citizen):** No, I do not.

**Mr. Chairperson:** Then you may proceed with your presentation when you are ready.

**Mr. Trudel:** Great. Thank you for having me, giving me the opportunity to speak tonight.

My name is Martin Trudel. I'm the director of negotiations for UFCW Local 832. Part of my portfolio is to be responsible for the renewal of collective agreements for a dozen agencies that employ approximately 2,000 people in the assisted community living sector.

Now, these agencies have employees who look after people with various types of disabilities, and I'm really, really, really concerned about the impact that Bill 28 would have on this specific sector. Reason being is that there's already a really high turnover in the industry, and that's a problem that's been plaguing the industry for a number of years. Now, if we take away the ability to actually have meaningful collective bargaining—and essentially what we have right now is an outcome that's predetermined once we look in terms of the financial aspect of the bargaining process—now there's absolutely no hope for these people that many types of wage increases now. The wage is already fairly low within the industry. And if we take away the ability to actually be able to negotiate any wage increases, improvements in benefit packages, improvements in vacation, improvements in pension plans, now we'll be faced with a higher turnover than what's currently happening.

Now, like I said, the turnover's fairly high. I'm really concerned that turnover would increase. And what it does is it essentially has a domino effect that trickles down all the way to the assisted, the supported individual. I mean, so not only this would impact the workers, but it would impact the people that are being looked after by the workers. So that's why I would strongly ask you to reconsider this bill, because of the impact it will have on the industry as a whole.

Thank you.

**Mr. Chairperson:** We thank you for your presentation, Mr. Trudel.

**Mr. Friesen:** Mr. Trudel, thank you for being here. Thanks for expressing those views, appreciate you taking the time to come to committee this evening.

**Mr. Lindsey:** I also wish to thank you for coming out tonight and sharing your views. And I think you

speak fairly passionately about people's ability to negotiate, as opposed to being dictated to.

Is it your belief that given the opportunity to negotiate properly that the unions involved in this would've been able to come to some kind of resolve, be it zeroes or be it something else that they negotiated somewhere in there? *[interjection]*

**Mr. Chairperson:** Mr. Trudel.

**Mr. Trudel:** Yes, sorry.

You know, it's my strong belief that at least the union option we need to get certain increases in one of those aspects, whether it's wages or vacation or pension or benefits, but, as I said earlier, if the outcome is predetermined, then essentially the bargaining process just becomes smoke and mirrors, and, you know, there's no hope to make any improvements in those aspects of it.

**Mr. Kinew:** Thank you for your presentation.

I was wondering if you could elaborate—you mentioned how the people you negotiate on behalf of serve clients with various accessibility challenges, and you also mentioned that there's a high turnover amongst the workers themselves. So I'm wondering if you can elaborate: What is the impact on that high turnover rate on the quality of care to the clients themselves? And then if you would also—if this bill exacerbates the problem with turnover, how might that impact the care delivery to the clients?

**Mr. Trudel:** Yes, thank you for those questions, a very good point. Like I said, as of right now, the challenge we have is that the wages in the industry are fairly low, so we're facing a problem in terms of the higher turnover rate that we would like. Now, this results in, essentially, a revolving door when it comes to workers in the industry, and it takes away any consistency in the services that are being provided to the support of individuals. So, having said that, those individuals are suffering because of the fact that they don't have a permanent worker with them. There's such a high turnover as well to that.

Now, if we were to take away the ability to potentially negotiate higher wages, which is something we've been trying to accomplish for a number of years—I mean, every round of bargaining. If the workers are going into it fully knowing there's absolutely no chance of them any type of increases, then there's definitely going to be a spike in the turnover rates, which will impact the support individuals even more than what it is right now.

And now it's not even so much talking about increases. Now, if we look at a zero, zero, 0.75, 1 per cent overall funding, we're guaranteed to have no wage increases, but, on top of that, because everything else goes up in terms of the cost, this could potentially result in agencies having to make cuts, which would be coming from the workers to be able to make meets end.

So not only we're looking at no increases; we might be looking at potentially some rollbacks or decreases in benefits just to be able to be within the funding guidelines. So that's a real concern.

**Mr. Gerrard:** With a situation like this where you have mandated, you know, one approach for everybody, it seems to me that you miss out on the opportunity to address some real problems that are occurring and that—I mean, in your instances where the wages have been low and this has been a problem, you know, what will happen with this kind of legislation? It's going to put a tremendous amount of stress on people who working in your particular area. Is that correct?

**Mr. Trudel:** Absolutely, hundred per cent. And, like I said, it's—you know, it's an interesting argument because you have the domino effect that happens in the industry, so it's putting a lot of stress on the agency to try to manage a very tight budget; it's putting a lot of stress on the employees who are dealing with, you know, a situation where there's no real hope of getting any improvements in the working conditions, and then, on top of that, it's impacting the clients who are being looked after by those workers. So, like I said, I can't stress enough the domino effect it would have for this specific sector, so.

**Mr. Lindsey:** Thank you for coming out tonight, and thank you for answering these questions. And we certainly hope that your voice, along with the other voices we've heard, will help convince the government to change course here, so thank you again.

**An Honourable Member:** Thank you for your time. Appreciate it.

**Mr. Chairperson:** Thank you for your presentation, Mr. Trudel.

I will now call on Sonia Taylor, private citizen. Sonia Taylor? I see she is—she could be speaking in the next room, so we'll go on to the next speaker and then call her if she comes in.

Kim Ferris, private citizen. Kim Ferris.

Do you have any written material for distribution to the committee?

**Ms. Kim Ferris (Private Citizen):** I do not.

**Mr. Chairperson:** Then you may proceed with your presentation when you are ready.

**Ms. Ferris:** All right, thank you.

Good evening and thank you for the opportunity to speak on Bill 28. My name is Kim Ferris; I'm a union representative with the UFCW Local 832. One of the workplaces that I do service is a women's shelter, Ikwe Widdjiitiwin. There's approximately 25 employees there, and they work with women and children who are escaping domestic violence.

*Mr. Vice-Chairperson in the Chair*

\* (20:40)

I'll be perfectly honest. In speaking with members and management, as of this past Friday they were still actually not sure if and how this bill would actually affect them, but, needless to say, they are concerned and this is why I'm here today.

So, when I visit the workers in the workplace, I see first-hand how tirelessly they work to help bring safety and security to women and children fleeing from domestic violence. Their job only just begins when they pick up the phone to answer a call from a woman in crisis and prepare for her arrival. They provide ongoing support to women and children through counselling, child care, and assisting with personal and legal matters through the many different agencies. The shelter also provides interim housing for women who are not quite ready to be on their own and live independently.

In 2015, IKWE had 12,177 bed-nights, all in shelter, for both crisis and interim housing. Unfortunately, the totals for 2016 are not yet available, but they're likely to be similar. It's not uncommon for women and children to re-enter the shelter more than once. There is some comfort for them in going back to a shelter where there's an employee who already knows who they are and they know their history. This also may help make that transition back into the shelter a little bit easier.

As you may be aware, shelters function under a service purchase agreement. I'm not going to claim to be an expert in those at all, but this agreement outlines the services that are to be provided and the funding the shelter receives to provide those

services. Their service purchase agreement has not seen any significant increases in quite some time, and they've actually fallen 11 years behind the cost of inflation.

With the implementation of Bill 28, it does worry me that this will make it difficult for IKWE as well as other similar services and agencies to attract and retain staff, thus affecting the understanding and stability that women and children need when their world has been turned upside down.

Having worked with the members in this workplace for quite some time throughout my career with the UFCW, I can also tell you that I see just how dedicated these workers are to their jobs—not just specific to women's shelters, but other front-line services—as well as the women and children they're helping. This type of work is no means glamorous. It's very exhausting mentally and emotionally on a day-to-day basis, but these women continue to come back each shift and are ready to help make changes in the lives that they're supporting. They're not working for the pay; they're working because they wear their hearts on their sleeves and they genuinely care.

With limited increases to service-purchase agreements and now a cap on the amount that wages can go up, I feel there's no longer—there's any recognition on the value of the work that is being done, and it certainly does not help to make our province a better place for Manitobans.

Thank you.

**Mr. Vice-Chairperson:** Thank you for your presentation, Ms. Ferris.

**Mr. Friesen:** Thank you, Ms. Ferris, for being here and reminding us all about the importance of shelters across Manitoba.

I know that I have a women's shelter in my own community, remain in close contact with the executive director of that facility who has spoken to me about, yes, exactly the failure of the past government over time to pass along incremental increases to their service purchase agreements. I've become quite aware of the struggles that the shelters face as a result of those things. Affordability matters to all Manitobans, and it matters also to those who are providing the services at the shelter.

So, appreciate your comments this evening. Thank you for being here at committee.

**Mr. Vice-Chairperson:** Ms. Ferris? Mr. Lindsey.

**Mr. Lindsey:** Thank you for coming in and presenting.

A couple of questions: The first one is: The members you speak of that work at these women's shelters, they're obviously at the upper end of the pay scale, so they can afford to take zeroes?

**Ms. Ferris:** I wouldn't say they're on the upper end. It is a lower paid industry. I do believe their wages are lower in comparison to some of the other similar agencies, you know, anywhere from \$13 up to \$18 would be a maximum for someone who's in a non-certified, follow-up position or, sorry, residential support worker and very similar—not—sorry, get back on track here—similar but not very much different for those who are actually certified. So they are still on the lower end of the spectrum, and that's an annual increase over six years.

**Mr. Gerrard:** Yes, thank you so much for coming here.

I was at the annual general meeting for IKWE last year and was very impressed with what I heard about the work that's being done there, and it's really so critical to help women and children who are really struggling under very, very difficult circumstances. So thank you.

But what you're telling me with the service purchase agreements not increasing and leaving you about 11 years behind is that you're like the last presenter, that you're caught in a circumstance here where you were behind what others have had and now you're faced with no increase and it's going to put you further behind instead of helping you to be where you really need to be.

Is that right?

**Ms. Ferris:** That's correct. Yes.

**Mr. Lindsey:** I don't really have any further questions for tonight, but I thank you for coming out and thank you for sharing your views and, hopefully, like I've said previously, your views will help dissuade the government in this course of action.

**Mr. Vice-Chairperson:** Thank you, Ms. Ferris.

I will now call on Curtis Martel.

Mr. Martel, do you have any written materials for distribution to the committee?

**Mr. Curtis Martel (Private Citizen):** I do not.

**Mr. Vice-Chairperson:** Thank you. Please proceed with your presentation.

**Mr. Martel:** Bill 28 will have a significant and negative impact upon unions' ability to bargain on behalf of their members working in the public sector. The appropriate time to set wage rates is at the bargaining table with free and fair collective bargaining, not in the Legislature.

By legislating future wage increases in such a heavy-handed manner, this government is sending a clear message to the thousands of Manitobans employed by the Province that their work is not valued. This bill will also have a negative impact on those Manitobans who depend upon public services, such as patients in our hospitals and our care homes, clients in residential support facilities, such as the ones my colleagues previously discussed, as well as students in our schools. Thank you.

**Mr. Vice-Chairperson:** Thank you, Mr. Martel.

Do members have any questions?

**Mr. Lindsey:** Thank you for coming out and thank you for sharing your time and your thoughts with us, and I don't really have any questions for you. I just wanted to thank you for coming out.

**Mr. Ewasko:** I'd just like to thank you, Mr. Martel, for coming out and taking the time to be part of the democratic process here—right here in Manitoba. So thanks again.

**Mr. Gerrard:** Thank you for coming here.

You mentioned students in the schools, and maybe you could give us a little more understanding of what the impact you believe is going to be with them. *[interjection]*

**Mr. Vice-Chairperson:** Mr. Martel.

**Mr. Martel:** My apologies to the Chair.

I'm sorry, Mr. Gerrard, I don't feel comfortable speaking on behalf of teachers. I'm more just drawing upon the comments that were already made by representatives from the Teachers' Society.

**Mr. Vice-Chairperson:** Thank you, Mr. Martel.

I will now call on Paul Roche. Paul Roche.

I will now call on Loreto Dutierrez. Loreto Dutierrez. We'll call on Loreto later.

I will now call on Garry Bergeron. Garry Bergeron. We'll call him later.

Call on Janet Morrill.

Ms. Morrill, do you have any written materials for distribution?

**Ms. Janet Morrill (Private Citizen):** I do not.

**Mr. Vice-Chairperson:** Please proceed with your presentation.

**Ms. Morrill:** My name is Janet Morrill. I'm an accounting professor at the University of Manitoba, and I'm the vice-president of UMFA, the University of Manitoba Faculty Association.

The University of Manitoba and its sister institutions is very important to this province and the people of this province. We do important research that contributes to knowledge in many disciplines and often directly affects the well-being of Manitoba.

And, speaking as a parent who raised children here, it's very difficult to send your children away for their post-secondary education. It's very far. It's very expensive, and many young people are simply not equipped to be so removed from their support base. Consequently, it's tremendously important to Manitobans to be able to send their children to university here and know that they are not compromising quality of the education they receive.

\* (20:50)

Increasingly, this is not the case. Our universities are not paying competitive salaries. Many of our professors, if they went to comparable institutions in comparable cities, could be earning tens of thousands more. As a result, we've lost many talented professors. We are at a risk of losing more, and we are finding it very difficult to attract good people unless they happen to have ties to Manitoba.

This lack of competitiveness hurts in many ways in human cost and in dollars and cents. Even if we recruit a new professor to replace one who lost, the Asper School calculated that it cost \$100,000 out-of-pocket. And junior faculty, for example, cannot supervise graduate students, so it takes several years to regain our productivity levels when we have this sort of churn.

When the quality of education falls, students are slower to complete their education, if at all. The costs of this are tremendous.

When the quality of education falls, students go elsewhere and they may not come back. My own children went away to university. I have one daughter who is now finishing her Ph.D. in computer science at UBC. She's not likely to come back. I have

another daughter who got her chartered professional accounting designation, is working on a masters in rural economic development—also is not likely to come back.

So, Bill 28, which eliminates the university's ability to address the competitiveness issue at the bargaining table, is therefore unwise.

We also contend that Bill 28 is unlawful. Courts have maintained that the right to collectively bargain is a constitutional right. We and our sisters and brothers at other unions contend that our rights are being swept away without meaningful consultation.

Furthermore, section 16(2) of the University of Manitoba Act gives the Board of Governors of Manitoba the power to appoint employees at the University of Manitoba and fix their salaries or remuneration. This is not the power of the government.

Bill 28 is also unreasonable. The Province of Manitoba provides 46 per cent of the university's revenues. They should not be able to dictate 100 per cent of the compensation in our collective agreements.

Finally, I believe that Bill 28 is fundamentally unfair to UMFA and other workers at U of M, faculty and staff at other Manitoba universities and all public sector workers. Any fiscal problems faced by the province must be borne by all citizens of the province equitably according to their ability to pay, not by just one group by virtue of who their employer is.

So we urge you to reconsider this legislation.

**Mr. Vice-Chairperson:** Thank you, Ms. Morrill.

Do members of the committee have questions?

**Mr. Friesen:** I thank you, Ms. Morrill, for being here this evening and representing your views. As a parent of children who are also heading off to university, I share your concern that we want to create the conditions in this province that will entice our students, our children, to both study here and then make their home long-term here. I think there's a lot we could probably discuss on those issues, but thank you for your presentation. I appreciate it.

**Mr. Lindsey:** I thank you for presentation and taking the time to come and talk to us, and one of the things that really, I guess, we haven't spent a lot of time talking about, but you point it out in your presentation, is the longer term effect of what this

misguided approach is, that it's going to have an effect on people for more than just the terms of their collective agreement. It's going to have long-term effects on ability to attract quality people and to keep them in this province.

Is that a concern?

**Ms. Morrill:** Yes, I absolutely agree.

**Mr. Gerrard:** It's dismaying to hear that we are so far behind other provinces in terms of salary remuneration, and that, obviously, hasn't happened in a single year; it's happened over a number of years, and it seems from your words on this that we really need to be addressing this if we're going to have the kind of education we want our kids to have.

Can you comment a little bit more on that?

**Ms. Morrill:** Yes, I mean, this goes beyond Bill 28, of course, I think. Bill 28 certainly does not help, but we've seen underfunding of post-secondary institutions in this province for a long time. And we're also seeing now that tuition costs are going to be imposed on students; we've taken away the tuition tax rebate. All of these things are really hurting people in their 20s in particular; I mean, these are our students who are struggling, and I'm very, very concerned for them. I'm very concerned for the future of the University of Manitoba, University of Winnipeg, the other universities in the province, I think that we need to do better, and I think that we're being penny wise and pound foolish.

**Mr. Lindsey:** Thank you very much for your presentation and for answering these questions. And thank you again, and, hopefully, your voice will help dissuade the government as well.

**Mr. Vice-Chairperson:** Thank you, Ms. Morrill.

I will now call on Robert Chernomas.

Do you have any written materials for distribution?

**Mr. Robert Chernomas (Manitoba Organization of Faculty Associations):** I don't.

**Mr. Vice-Chairperson:** Please proceed with your presentation.

**Mr. Chernomas:** My name is Robert Chernomas. I'm a professor of economics at the University of Manitoba, and president of the Manitoba Organization of Faculty Associations representing approximately 1,600 academic staff and librarians from the faculty associations, including Brandon,

St. Boniface, University of Manitoba, and the University of Winnipeg.

Bill 28, The Public Service Sustainability Act, is at odds with the best practice on how to run an efficient and fair economy that would best serve our community. Austerity is not the best practice. In the wake of the 2008 economic crisis, deficit spending has come back into political vogue both as a measure to stimulate the economy and to protect valuable public services.

The term austerity has been coined to pillory a disastrous European efforts to balance the books after the 2008 economic collapse by cutting spending on public programs. European austerity programs have created unemployment, gutted government services, and been blamed for creating a lost generation in several countries. Government spending is more effective, best practice means of eliminating debt by stimulating the economy.

I'm going to come back to this idea of best practice. Economists at the International Monetary Fund, long a leading advocate and international enforcer over austerity policies, recently published a paper called *Neoliberalism: Oversold?*, arguing that running budget deficits—running budget surpluses, excuse me, through austerity policies is doubly dangerous. First, contrary to the belief that smaller government will unleash the private sector and create economic growth, the reduction of government spending reduces demand and slows the economy. Second, the austerity programs required to reduce the size of the state create increased inequality, which further harms growth. Countries where incomes are more equally distributed tend to grow faster and have growth cycles that last longer. This is the International Monetary Fund; in fact, policy-makers should be more open to redistribution than they are, according to the paper.

In reporting on *Neoliberalism: Oversold?*, *Fortune* magazine, another former advocate of neoliberalism and austerity, pointed out that while economic growth that austerity policies are designed to create it's difficult to discern from the evidence the inequality caused by austerity and *laissez-faire* policies is palpable.

The World Economic Forum, as we move up the ladder in terms of power and income and wealth, a Geneva-based foundation whose annual meeting of chief executives and political leaders held in Davos, Switzerland, is a gathering of the truly rich and powerful. The World Economic Forum is a

think tank funded by 1,000 corporations. Member companies must have annual revenues of more than \$1 billion.

*Mr. Chairperson in the Chair*

The World Economic Forum produces a global competitiveness report which ranks the competitiveness of the world's economies. The top 10 countries of the World Economic Forum growth competitiveness index rankings for 2005 in rank order are Finland, US, Sweden, Denmark, Taiwan, Singapore, Iceland, Switzerland, Norway and Australia. What is most interesting about this list is how few of these countries follow a conservative economic strategy, and how little the list changes over time. You could look at 2014, you could look at 2010, the list is more or less the same.

The countries that dominate the top 10 list are the so called Nordic countries, better known disparagingly by conservatives for their welfare states. It seems the quality of their public institutions, budget surpluses, low levels of corruption, and high degree of technological innovation trump their high taxes and strict regulatory framework so that they are characterized as having excellent macroeconomic performance.

\* (21:00)

In 2013-2014, Finland ranked No. 1, Sweden No. 6, US No. 7, on innovation. So here, we're talking about economic efficiency, not simply equality. Many scholars, perhaps most famously Richard Wilkinson and Kate Pickett, in their book *The Spirit Level*, have pointed out that inequality of outcome is a problem; unequal nations fare more poorly than those that are equal on a myriad of social indicators, including health, education, social mobility and violence. According to Wilkinson, if you want to live in the American dream, move to Finland or Denmark.

Social democratic nations have among the lowest debt-to-GDP ratios in the OECD. I ask you to take a look at the CIA numbers on debt-to-GDP ratios. On—these Nordic countries, and not—they're not all actually Nordic countries, but people that follow that economic strategy are among—have the bung—the best health outcomes in the world, including a longevity and infant mortality.

Gender equality—the top four countries in the world are: Iceland, Norway, Finland and Sweden.

At the top of the list of the 10 most environmentally friendly countries in the world, according to the Environmental Performance Index, are: Finland, Iceland, Sweden and Denmark.

Several EU countries, including all Nordic nations, Austria and Germany, do not charge fees to their students at all. Not coincidentally, they are among the most advanced, productive, equitable economies in the world, with the least debt and the happiest and healthiest of citizens.

Back to the World Economic Forum, just quickly, to finish. According to Augusto Lopez-Claros, chief economist at the World Economic Forum, when summarizing the success of these social democratic nations, wrote the following: Integrity and efficiency and the use of public resources means there is money for investing in education, in public health, in state-of-the-art infrastructure, all of which contributes to boost productivity. Highly trained labour forces, in turn, adopt new technologies with enthusiasm or, as happens often in the Nordics, are themselves in the forefront of technological innovations. In a way—in many ways, the Nordics have entered a virtuous circle where various factors reinforce each other to make them among the most competitive economies in the world with world-class institutions and some of the highest levels of per capita income in the world.

That's the World Economic Forum, not a labour union, not an environmental group.

There's a better way to run an efficient and fair economy. Bill 28 will become part of the problem, not the solution. You are on the wrong side of history.

**Mr. Chairperson:** Thank you for your presentation.

**Mr. Friesen:** Thank you, Professor Chernomas, for your presentation this evening.

I would agree with you that when it comes to approaches that governments can take, austerity measures don't always fit the bill. And that's why we've rejected some of the approaches that are seen in other provinces in this country and across the globe—places like Saskatchewan, Newfoundland, who have tried to cover a lot of ground in a very little time. And we see the implications of that to an economy; we've predicated our actions on the basis of an eight-year recovery period to make incremental progress. But you are correct. You had mentioned the need for innovation, a commitment to innovation,

efficiencies, and you're correct, and it's what our research shows as well and our consultations with Manitobans that we cannot cover this ground unless we have an unwavering commitment to extracting better value out of systems, and there's a lot to be learned from following the Nordic models and other models as well. So appreciate your conversation with us this evening. *[interjection]*

**Mr. Chairperson:** Mr. Chernomas.

**Mr. Chernomas:** I'm sorry.

Yes, cutting to funding to universities is not a way to contribute to innovation. Raising tuition on students is not a way to raise—to improve. And if we want to talk about Saskatchewan, I would say you might look at Norway instead of Saskatchewan or Alberta as models of how you might actually take resources and make use of it for the future of our province. Austerity doesn't work.

**Mr. Lindsey:** I thank you for your presentation. And so, if I could summarize some of it very quickly, that really, the policy, or this piece of legislation that's before us tonight, is a holdover from a previous way of thinking. It's really just an ideological thing that's been debunked pretty much universally by people certainly a whole lot smarter than me, that this type of approach just doesn't work. Is that a fair statement? *[interjection]*

**Mr. Chairperson:** Mr. Chernomas, you have wait 'til—

**Mr. Chernomas:** I apologize.

**Mr. Chairperson:** It's okay. You may go ahead now.

**Mr. Chernomas:** Canada's debt-to-GDP ratio was much worse historically in the past, the 19—after—out of World War II. We didn't cut spending, we began to increase our spending on health, education, welfare, infrastructure and we got rid of that debt. It fell from, like, 110 per cent to about 22 per cent in 1972. It fell because we grew the—called the denominator, the GDP, rather than worried about cutting expenditures. And that's—so it's true; this government's approach is out of touch with the current best practice. But even if one looks historically, it never worked really well.

**Mr. Gerrard:** Thanks so much for your presentation.

You're from faculty; we have had a presentation just before you on the underfunding of faculty



members here. Can you comment on the—not just the general underfunding of universities, but the need—what do we need to do in terms of addressing faculty salary and addressing, I guess, funding of research and innovation? *[interjection]*

**Mr. Chairperson:** Mr. Chernomas.

**Mr. Chernomas:** Four or five times, I'll get it. My apologies again.

Canada does relatively poorly in terms of funding research and development. The United States, with all its conservative politics, up 'til the Trump period, has spent huge amounts of money on—public sector money on research and development, and so one of the things that Canada needs to do federally and provincially is begin to spend more money on research and development. And when I say research and development, I'm not talking about just business directed; I'm talking about, you know, just sort of completely independent research.

There's a new report produced by the former president of the University of Toronto talking about specifically the advantages of that, and it's only the public sector that's actually going to fund this kind of long-term research. The private sector simply does not do it. I invite you to read Lester Thurow, the former dean of management at MIT, who will tell you why public sector research is critical. Private sector corporations will not do basic research, and so funding universities, critically important part of research and development, and as Jan Morrill said to you before, we are the lowest paid faculty in the country among med-doc universities.

**Mr. Lindsey:** I thank you again.

It sounds to me like you may be somebody that the government possibly should have consulted with prior to introducing this kind of legislation. Did you have any input into anything?

**Mr. Chernomas:** None whatsoever, but I'm happy to listen, I'm happy to answer questions if the government is interested.

**Mr. Chairperson:** Our time for questions has expired.

We thank you for your presentation, Mr. Chernomas.

We will now move on to the next presenter, John Arthur.

Mr. Arthur, do you have any written materials for distribution to the committee?

**Mr. John Arthur (The Professional Institute of the Public Service of Canada):** The young gentleman's got them at the front there.

**Mr. Chairperson:** Okay. You may proceed with your presentation when you are ready.

**Mr. Arthur:** Okay, good evening, everyone. My name is John Arthur and I'm here to represent members of The Professional Institute of the Public Service of Canada.

Thank you for giving me the opportunity to speak before the committee tonight. I will be brief and to the point.

PIPSC represents 55,000 professionals across Canada's federal and provincial public sectors. Our members work for the government of Manitoba in health care and engineering professions. We have about 170 members in my group, the Manitoba Association of Government Engineers, and about the same number working at the Deer Lodge health facility. We may be a small presence in Manitoba, but we represent some important professional workers and we would like to tell you tonight that we do not support Bill 28, The Public Services Sustainability Act.

Bill 28 is a one-sided approach to a problem manufactured by the government in its 2017 budget. It is an unwarranted attack on public services and the professionals that deliver them. In Budget 2017, the government of Manitoba reduced spending, services and taxes. This is not an approach upon which governments can build public services that are sustainable, effective and at high quality. Instead of creating a plan for the future, the government chose to use the budget as a tool to drive an agenda for austerity.

Wage freezes won't result in better service delivery to Manitobans and they won't miraculously deliver full coffers for the provincial government. Worse, by imposing a two-year wage freeze and two additional years of increases below inflation, the government is bypassing the collective bargaining process to meet its fiscal objectives, and that is a serious problem.

\* (21:10)

There is nothing new in blaming unions for the Province's difficult fiscal situation, but that makes no more sense in Manitoba today than it did at the federal level a few years ago. Instead, the provincial government should sit down with its bargaining

agents and work out real solutions to these issues and not try to take away workers' existing rights.

In addition, The Public Services Sustainability Act also violates both the Canadian Charter of Rights and Freedoms and Canada's international obligations.

The Supreme Court of Canada has made it clear that the process of collective bargaining is protected by the Charter. Bill 28 substantially interferes with the process of meaningful collective bargaining and, as such, infringes on the associational freedom protected by section 2(d) of the Charter.

We'd also like to respectfully remind the committee that Canada is a member of the International Labour Organization. In 1998, the International Labour Organization adopted the declaration on fundamental 'printiffles' and rights at work. The declaration contains the core principles and commits all members of the ILO, including Canada, to the protection and promotion of these principles. Of particular relevance here, the declaration states that all members of the ILO have an obligation to provide effective recognition to the right to engage in collective bargaining.

ILO conventions 87, Freedom of Association, and 98, Right to Organise and Collective Bargaining, form an integral part of the core IOL principles and must be respected by its member states. Specifically, IOL convention 151 protects the right of public service sector employees to engage in collective bargaining and provides in article 8 that: The settlement of disputes arising in connection with the determination of terms and conditions of employment shall be sought, as may be appropriate to national conditions, through negotiation between the parties or through independent and impartial machinery, such as mediation, conciliation and arbitration, established in such a manner as to ensure the confidence of the parties involved.

There cannot be a clearer statement that wage restraint legislation such as that proposed by Bill 28 contravenes some of the most basic principles to which Canada is committed internationally. The government of Manitoba still has a chance to withdraw the legislation and pursue a course consistent with the country's international commitments.

So, in conclusion, the professional institute urges the committee to carefully reconsider this proposed legislation.

Thank you.

**Mr. Chairperson:** Thank you for your presentation, Mr. Arthur.

**Mr. Friesen:** Thank you, Mr. Arthur, for your presentation this evening. I noted that in your—the beginning of your presentation, you indicated that the government can't succeed by reducing spending. The last eight years the Province of Manitoba has doubled the debt, which now stands just north of \$23 billion. In the last six months, we've incurred an additional \$61 million in debt service costs. Just imagine how many labour agreements we could address with an additional \$61 million. In the next budget that we will be—that we're entering into that period of, we are going to sustain another \$40 million in increased debt servicing costs.

You seem to take the view that we can spend our way to prosperity. Do you believe that we have a fiscal challenge that does need to be addressed?

**Mr. Arthur:** Yes, I certainly do, sir, but no one has approached our union, our professional engineers. We work with tens and tens of million of dollars in construction within the government. You know, come to us, talk to us. We'll tell you how you can do savings.

**Mr. Gerrard:** Thank you for your presentation, and clearly the government should have listened to you in terms of looking at savings.

But I want to focus in on one line here, that you say that the Province still has \$500 million owing from the federal government for disaster assistance. Is that from one of the floods or the fires we had, and why is that still outstanding?

**Mr. Arthur:** Those are negotiated settlements on flood disaster programs, sir, and they—I know there's a couple of years outstanding that there's audits that have to be undertaken between—the feds request that from the Province to ensure that the money was spent where they deem 'aprotely,' and yes, the flood certainly had a major impact. But again, as us—as professional engineers, we've got good programs in place that we could show the government to move forward and save money.

**Mr. Lindsey:** Thank you for your time here tonight, and thank you for your presentation. And certainly, you've pointed out a few things that are of interest and things that the government should have taken into account, such as the money that's owed by the federal government that would reduce deficit substantially, and there's other things that are coming up that may reduce that as well that—it would appear

that they're trying to balance the budget just on the backs of your members and other members of the public service. Is that a fair capture of your presentation?

**Mr. Arthur:** Yes, sir. I believe we can all work together to try to achieve, you know, a common goal and without taking this undue necessary action here with Bill 28.

**Mr. Lindsey:** So, just to clarify, at no point in time did anyone from the government ever approach your union to offer suggestions or to consult prior to the imposition of this bill.

**Mr. Arthur:** No, sir, they have not. And we were more than willing to meet with them at any time.

**Mr. Lindsey:** I thank you very much for your time and your presentation tonight, some interesting perspectives, for sure.

**Mr. Chairperson:** We thank you for your presentation, Mr. Arthur.

We will now move on to the next presenter, Ken Woodley, International Brotherhood of Electrical Workers Local 2034.

Mr. Woodley, do you have any written material for distribution to the committee?

**Mr. Ken Woodley (International Brotherhood of Electrical Workers, Local 2034):** I do not, Mr. Chairman.

**Mr. Chairperson:** Then you may proceed with your presentation when you are ready.

**Mr. Woodley:** Well, good evening, Mr. Chairman and honourable members. This presentation will be a brief one, and it may deviate from what you're expecting to hear here tonight. I will also acknowledge that there are previous speakers who've probably been far more eloquent on this topic, most notably Mr. Moist and Mr. Rebeck.

As has been said, my name is Ken Woodley, and I'm the assistant business manager of the International Brotherhood of Electrical Workers Local 2034. Our union represents approximately 2,800 employees at Manitoba Hydro. These are the fieldworkers who generate, transmit and distribute electrical power across this province.

I'm here tonight to make it abundantly clear that our union takes issue with the process that has been followed in moving this proposed legislation forward to the committee stage. In the government's

2017 budget document released on April the 11th, 2017, Bill 28 was discussed, and specifically at page 15, and the following statement was made, and I quote: "This legislation follows extensive prebudget consultations with Manitobans and continuing dialogue with union leaders," unquote. I'm here tonight to set the record straight and to publicly expose the inaccuracy of this statement.

Our position is that the proceedings leading to this point have been fatally flawed and have not met the legal requirements for moving this proposed legislation forward. There can be little doubt that this bill is intended to directly interfere with the collective bargaining process as it relates to our 2,800 members. If enacted, this bill will eliminate the key issue that our members seek to bargain at each contract renewal. Wage negotiations are at the heart of collective bargaining. Forcibly taking wages out of play effectively makes bargaining pointless. It's like saying, you can keep the car, but we're going to take the motor out for four years.

\* (21:20)

Because of the significant impact of the proposed bill, the government has an obligation, at least according to the Supreme Court of Canada, to attempt to preserve the process of good faith negotiation and consultation that underpins the collective bargaining process that it is trying to supplant.

I doubt that this is news to anyone here, and I suspect that the inaccurate statement about consultation and dialogue published in the 2017 budget document is indicative of the government's awareness in this regard. This legislation will have an enormous impact on all our members, and which will effectively deny them their Charter-protected right to bargain collectively. It has now been reduced—introduced with absolutely no consultation with IBEW Local 2034. The government has not made a single overture to consult or discuss its proposed course of action or the circumstances that it feels have necessitated such measures.

Our position is that a true and sincere effort to consult with our union should have taken place before the legislation was drawn up. No information came forward from government to the union prior to the introduction of this bill, and certainly no input from the union has ever been solicited even to this day. It is difficult to conceive how this government can in good conscience and with a straight face boast

of, quote, extensive consultation with union leaders, unquote. It just has not happened.

The suggestion has been made that discussions took place with the Manitoba Federation of Labour and that as an affiliate the government's obligation to consult with union leaders has been met.

Well, I'm here to make it abundantly clear that this is not the case. It is not the government's role to tell us who will represent our interests in matters that affect our members. While we are willing affiliates of the Federation of Labour, we do not automatically pass on any of our responsibilities to it. The federation works on our behalf, but it does not replace us.

Mr. Chairman, at the outset, I said I would be brief. This presentation is simply to inform your government that the IBEW Local 2034 takes the position that our right to consultation, prior to the introduction of this legislation, has been violated. More importantly, this bill robs our members of the opportunity to be a part of the solution and rather seeks to blame them for the problem.

We expect real and meaningful consultation with all the union leaders to take place before this bill moves forward. And we expect that appropriate modifications to the bill, as written, will be made as a result of such consultation efforts.

I would like to thank you for the opportunity to present this evening. And, in closing, I just want to make it clear that we do not consider that our presentation here tonight is the consultation that's required on proposed Bill 28. This has simply been a presentation for you and the public information. Thank you.

**Mr. Chairperson:** Thank you for your presentation, Mr. Woodley.

**Mr. Friesen:** Thank you, Mr. Woodley, for your presentation this evening. So you've mentioned that MFL does not speak for IBEW.

I want to present a conundrum to you: the Province of Manitoba, in Health alone, there are 184 bargaining units. In the provinces of BC, Alberta and Saskatchewan, combined, there are less than 20 bargaining units. You can see how the proliferation of bargaining units across the spectrum of labour in Manitoba creates a difficulty, logistically, when it comes to doing that dialogue.

I wonder if I could ask you: What is the optimal number of bargaining units in the province of Manitoba in your view?

**Mr. Woodley:** I have absolutely no idea what the optimal number is. But I can tell you that the logistical problem that you speak of might possibly be rectified by consultation with the union bodies involved, saying to them: How should we handle this?

And perhaps then the Manitoba Federation of Labour or some other group would have been deputized by our union as our spokespeople. But that did not happen.

**Mr. Lindsey:** Thank you for your presentation tonight and certainly presents a unique perspective.

I guess the minister tries to suggest that you should tell him what the optimum number of bargaining units is, which is a conversation separate to the conversation around this specific bill. But would it be fair to say the optimum number of bargaining units is that which the workers have decided who should represent them, as opposed to someone dictating that to them?

**Mr. Woodley:** Yes, I would.

**Mr. Lindsey:** To be fair, then, your union has never specifically been consulted about any of these changes, so you would be more than happy as a representative of quite a few members of the public sector to sit down and discuss this bill or the impending 900 layoffs that your members are about to face with the government?

**Mr. Woodley:** Yes, absolutely, we would. It has always been our contention that the success of our employer and the success of the government is, in fact, the success of our members and we want to be a part of that.

**Mr. Gerrard:** Thank you very much for coming and presenting and talking about the situation of your union. I would like to make sure that the comment that was made about the layoff of 900 Hydro workers, are they all from your particular union and can you tell us a little bit about the current state of the situation of your union with respect to Hydro?

**Mr. Woodley:** I'll make a comment on it. I will, perhaps, correct a bit of what was said. There are not 900 layoffs at this point. There is a preference to find 900 reductions. As you probably are aware, there is a voluntary departure program that's put—been put in place right now to see what that will shake out, and

so nobody knows when and if they will have to go to actual layoffs. With respect to the number of people laid off, I doubt that you could layoff 900 front-line field workers and keep the lights on.

**Mr. Lindsey:** So, just to clarify, do you know how many of your members are going to be laid off by that 900 number or is it all of your members that are going to be laid off?

**Mr. Woodley:** We do not know. All we know is that the target number for the corporation is 900. We would anticipate that we would be a fraction of that, whatever that fraction might be.

**Mr. Lindsey:** So in addition to not consulting with you about taking zeroes, they've also not consulted with you, to this point anyway, about which workers may be out of a job even though you're the union that represents the bulk of those workers.

**Mr. Woodley:** To be fair, the corporation did ask if it could offer the VDP, the voluntary departure program, to our members in recognition of the fact that they are under a collective agreement. We allowed them to make that offer, but it is all voluntary, so in all honesty the corporation itself does not know where it's going just yet, so.

**Mr. Chairperson:** We'd like to thank you for your presentation, Mr. Woodley.

As our time for questions has expired, we will move on to the next presenter, the next presenter being Bob Moroz, Manitoba Association of Health Care Professionals.

Do you have any written material for presentation to the committee?

**Mr. Bob Moroz (Manitoba Association of Health Care Professionals):** I do not.

**Mr. Chairperson:** You may proceed with your presentation when you are ready.

**Mr. Moroz:** First, if I could make a correction for the record on my name; my last name is spelled M-o-r-o-z. There is a rather humorous typo.

**Mr. Chairperson:** Is it pronounced Moroz?

**Mr. Moroz:** It is. Thank you.

I'm here representing the 4,000 members of the Manitoba Association of Health Care Professionals. Our membership is comprised solely of those in health care in the professional, technical and paramedical employees. Our members are the folks who do the diagnosing, do the imaging. They work

in the labs. They work in the rehab hospitals. They work on discharge teams. They work in emergency medicine in the North. They work in community mental health throughout the province, just for an idea of who we are.

\* (21:30)

In January of this year, labour leaders, some labour leaders were invited to meet with the Minister of Finance (Mr. Friesen) and others to discuss the dire fiscal situation facing Manitoba. Out of that meeting, a fiscal working group was created. As a member of that group, my understanding was that our goal was to look at various ways to allow Manitoba to return to fiscal balance within eight years, as was committed to during the provincial election campaign. As labour leaders and as unions, we take a great deal of pride in our ability to work with employers and government to find solutions that are, at the very least, mutually acceptable.

I must express my own disappointment that, since that initial meeting in January, government and their representatives have never appeared to be open to any solutions presented by labour as an alternative to a heavy-handed legislation approach that we are discussing here today.

In good faith and using our understanding of precisely what was being asked of the public sector workers of Manitoba, we submitted a presentation that would allow Manitoba to return to fiscal balance within the stated eight-year time frame. Those details have been discussed at some length by other presenters, so I will not go into that, but I believe those presentations are in the hands of government.

Unfortunately, it became very clear that government had no interest in discussing any aspect of our presentation beyond—and I'll paraphrase this: Finance told us that our assumptions were not accurate. When pressed further, we were never able to get any further clarity on exactly what assumptions we made in our presentations that were inaccurate, and that was the end of the discussion on our presentation, and we have yet, to date, to hear back from—any feedback from any of the questions that we've presented.

Instead, the focus of any further conversations landed on getting us to comment on aspects of any legislation, including, but not limited to, wage mandates, opening existing agreements, rollbacks, voluntary reduced workweeks, et cetera, et cetera.

My position remains that these items are best dealt with at a bargaining table. I'm in—under no illusions that bargaining would not be a very, very difficult process. Nevertheless, legislation such as this that strips away the workers' right to collectively bargain in a meaningful way is unjust and certainly unfair.

Solutions such as this bill are also extremely short-sighted. Many of the professions represented by MAHCP have an aging workforce. Many of our provincial—professionals continue to be compensated at among the lowest rates in the country. There are growing staff shortages in every corner of our workplaces across the province.

The message that this bill sends to the dedicated women and men who provide the care that Manitobans depend on is that they are nothing more than a cost, that they don't matter. Let me emphasize for the record today that they certainly do matter.

Manitobans deserve high-quality and timely care. Manitoba needs more allied health professionals, not less. And please allow me to be blunt; we love the work that we do. We improve the lives of Manitobans every single day. But, ladies and gentlemen, we are tired.

Working in any aspect of health care is a calling. Rising workloads are taking their toll on the very people tasked with caring for us at our most vulnerable times in our lives. We need this government to step up, respect the work that we do and meet us at the bargaining tables to find solutions to the stated problems. This bill, if enacted, shows that the exact opposite is true and we do not have the respect of this government.

**Mr. Chairperson:** We thank you for your presentation, Mr. Moroz.

**Mr. Friesen:** Thank you, Mr. Moroz, for your presentation tonight on behalf of the professionals that you represent.

You will be comforted to know that I made the change to your spelling of your name before you even advised the Chair of it.

I wanted to say to you that we completely agree that Manitobans deserve high-quality and timely care. We are working towards that goal. I know from my own conversations with some of the professionals that you represent that there is a certain fatigue that has set in. We need to make the system sustainable. We need to think carefully about how

we use innovation, how we introduce system efficiencies to be able to get better value but to make good sustainable conditions for those professionals who are out there in Manitoba delivering that care that we all depend on.

Thank you for your presentation this evening.

**Mr. Lindsey:** I thank you for your very heartfelt presentation tonight. Clearly, the members that you represent and yourself take your work very seriously. It's more than just a job for you. Having said that, you still feel that you deserve to be listened to, to be consulted with and not dictated to. Is that a fair statement?

**Mr. Moroz:** That is an absolute fair statement. I can't characterize any of the meetings that have happened as anything resembling consultation based on the content of my presentation. It was merely, in my view, for appearance's sake only. There was no meaningful feedback whatsoever to any of the solutions. It was simply looking for us to make some sort of comment on legislation that we would not even to—able to get a draft copy of in order to make any intelligent conversations should we had wanted to go down that road.

**Mr. Gerrard:** Thank you for coming here. It has seemed to me that the allied health professionals often are neglected in terms of their importance in making sure that the overall health-care system runs really well and really effectively. There was an analysis that was done by the Manitoba Centre for Health Policy which talked about the importance of being able to get lab and other tests very quickly as a major factor in long emergency room wait times, for example.

I just want to give you, you know, an opportunity to expand a little bit on the comment that you made earlier on in terms of the importance of allied health-care workers and making sure that they're funded appropriately so we're retaining people here.

**Mr. Moroz:** The allied health professions are an absolute critical part of the health-care system, just as every other sector, right from the physicians down to the folks who clean the rooms and wash the floors. I can't say that we're any more important, but we're just as important.

Treatments do not happen because a physician wishes them to happen. There must be the proper diagnoses in place that then has to be appropriately ordered, has to make sense, and our members

are the ones who provide those diagnostic, whether it's lab results, imaging, scans, physical assessments through, you know, physiotherapists, occupational therapists, and, you know, treatment plans are created that way.

So the idea that the health system is simply doctors and nurses is factually incorrect. It's offensive to the members that I represent, of which I am one. The system simply doesn't work unless we all count on one another within the various sectors to perform the duties that we're required to so that the other folks can do the jobs that they're dedicated to. So if that's—thinking—

**Mr. Chairperson:** Mr. Lindsey.

**Mr. Lindsey:** I just wanted to, again, thank you for coming out and sharing your views and representing your members very well. Thank you again.

**Mr. Chairperson:** Thank you for your presentation, Mr. Moroz.

We will now call the next presenter, Lee McLeod, CUPE Regional Operations, Lee McLeod?

Do you have any written material for distribution to the committee? You may proceed with your presentation as soon as you are ready.

**Mr. Lee McLeod (Canadian Union of Public Employees, Regional Operations):** Good evening. My name is Lee McLeod. I'm the regional director for CUPE here in Manitoba and I'm here to provide a submission to the Canadian Union of Public Employees to this Legislative Standing Committee on Bill 28, The Public Services Sustainability Act.

\* (21:40)

The Canadian Union of Public Employees, CUPE, is Canada's largest union with over 643,000 members across Canada and 26,000 members in Manitoba from across the broader public sector. In Manitoba, CUPE members work in health-care facilities, personal-care homes, school divisions, municipal services, social services, child-care centres, public utilities, libraries and family emergency services. On behalf of CUPE members, we are here today to ask this government to reject the heavy-handed, anti-worker, and unconstitutional Bill 28.

During the election, the Premier (Mr. Pallister) promised Manitobans that if he was elected he would protect public services and the people who provide them. The Premier also promised to respect

collective bargaining. This legislation, which seeks to set aside our constitutionally guaranteed right to collectively bargain, is an affront to more than 120,000 Manitobans who go to work every day to provide services that Manitobans depend on.

The hard-working Manitobans who truly are the front lines of this government—that this government promised to protect, are angry and feel betrayed. Not only is this government seeking to balance the budget on the backs of health-care aides, educational assistants, and public sector workers generally, but it's violating their constitutional rights to free and collective bargaining. Many of the workers impacted by this legislation live on very modest incomes. Some earn wages which are well below what is considered a living wage.

This past January, CUPE was invited along with other public sector unions to a meeting with Minister of Finance, Cameron Friesen, to discuss broader issues outside of contract negotiations. We were asked to attend this meeting to provide ideas and insights to government on ways to return to a balanced budget in a responsible manner over an eight-year period, as the government had committed to in the previous election.

Working with the Manitoba Federation of Labour and other public sector unions, we took this task seriously and looked forward to a series of meetings with government so that collectively we could take on this challenge together. As such, CUPE took part in putting together fiscal forecasts and models that would bring Manitoba back to balance within the eight-year time frame, a framework that we believed would avoid the necessity to cut public services or raise taxes on average Manitoba families. We had hoped that these efforts would show government that we were taking these meetings seriously and that labour wanted to be a part of actively finding solutions that worked for everyone.

CUPE has attended a series of meetings since then, and unfortunately Minister Friesen has not attended any of these subsequent meetings. Instead, we have met with staff representatives who have told us on numerous occasions that they don't make decisions, they aren't in the loop on government budget deliberations or longer-term fiscal planning, and that they are unable to discuss the options we presented. In fact, these staff representatives have refused to discuss our proposals or to share information about the government's 'fishal'—fiscal

objectives or target timelines. And let us be clear, legislative committee hearings are not consultation.

It is apparent that this government is not interested in meaningful consultations with public sector unions and that this government always intended to use legislation to circumvent workers' constitutionally protected right to free and fair collective bargaining. Indeed, in retrospect, it becomes clear that, as first indicated in the November 2016 Throne Speech, this government never intended to meaningfully consult with public sector unions. It had already made up its mind to use legislation in place of the bargaining table.

It did not have to be this way. CUPE in Manitoba is not unfamiliar with tough bargaining. We have negotiated contracts in good years and we have negotiated contracts in lean years. Thousands of CUPE members lived through a two-year wage freeze in response to the economic downturn of 2007-2008. And while CUPE members weren't thrilled with making that sacrifice, they accepted that the process resulted in a wage freeze that was fair at the time.

While this government may only be interested in results, we believe that process matters. We also contend that our history shows that collective bargaining is the most fair and reasonable method for determining the working conditions of employees. Indeed, collective bargaining has three major benefits over the heavy-handed legislation that's being proposed.

Collective bargaining forces workers to collectively prioritize the asks placed on employers.

By its very nature, collective bargaining requires compromise. Employers wish to avoid disruptions of operations; employees want to avoid a disruption in pay. As such, collective bargaining should, and in our experience normally does, result in better understanding between employers and employees of the real needs and challenges of each party.

Collective bargaining creates stability. Both the employer and the employee are clearly aware of the rules and there is a clear mechanism to deal with disputes. Further, each side is aware that at the end of the contract there will be an opportunity to meet once again and to resolve any new challenges that have developed during the life of the contract, thus avoiding disruption to the workplace throughout the life of the contract.

We would ask this government to consider the above before deciding to forgo the many benefits of collective bargaining. We believe that it's in the best interests of Manitobans for this government to respect collective bargaining. Ignoring constitutional rights of Manitobans and tossing aside fair collective bargaining should not be an option for this government. In addition to being unfair, we would also this—argue this legislation is unnecessary.

As Dr. Michael Benarroch, Dean of the Asper School of Business, has pointed out, the Manitoba government is on a path to balance the budget within timelines promised during the past election, and our deficit is both manageable and in line with other provinces.

We would point out the return to balance is even possible despite several measures taken in the last provincial budget which will erode government revenues, worsen the deficit and delay a return to balance. These measures include: indexing basic personal amount in income brackets immediately costing this government \$34.1 million in revenue, which will grow every year; increasing the political contribution tax credits from 650 to 100—to \$1,000; borrowing \$110 million over the next 10 years to place in the fiscal stabilization account, an act which is not in line with the intent of the fund and, frankly, seems quite counterproductive for a government intent on reducing the deficit.

According to Dr. Benarroch, the—by 2019-2020, these three measures will result in \$170-million loss in government revenue and result in a government deficit of \$549 million. Without these revenue-reducing measures, the deficit would be brought down to \$379 million in this time frame. If eliminating the deficit is a priority for this government, then the introduction of these measures simply makes no sense, especially considering that the government instead opts to undermine Manitobans' constitutional rights to free and fair collective bargaining.

If this government is truly interested in returning to a balanced budget on a speedier path and is interested in doing so while protecting public services and the people who provide them, it would consider the following proposals: delay or eliminate completely tax reductions; plan to use new revenues from federal carbon taxes and marijuana sales; work with the federal government to crack down on tax evaders; ask the highest income Canadians—Manitobans to pay their fair share of taxes, following



the lead of other jurisdictions that have recently introduced new income tax levels for high-income earners; introduce a small increase to the large-to large corporations' tax rates.

For all the reasons stated above, CUPE urges this government to reject the heavy hand of legislation. Instead, come to the bargaining table. CUPE and our sister unions all remain committed to working with this government through our constitutionally protective right-protected right to free and collective bargaining, to negotiate a deal that's free for-fair for everyone. So we urge this government to reject its plans to impose Bill 28 on Manitobans.

**Mr. Chairperson:** Thank you for your presentation, Mr. McLeod.

**Mr. Friesen:** Thank you, Mr. McLeod, for being here and waiting. It's getting late in the day and you waited till the end, so thank you for being here and making this presentation on behalf of CUPE. Thanks for the information that you've provided to us.

I noticed a great deal of alignment of this presentation with what we've heard earlier this evening by MFL, and that's fine. But I did notice one major point of difference and that is that in your presentation written, there is actually no acknowledgement of the challenge that Manitoba faces in respect to the fiscal condition that we find our province in. So a deficit that has doubled in eight years to \$23 billion—I'm sorry, a debt that has doubled; a borrowing program annually of over \$6 billion in markets, both domestic and international; debt service costs that have gone up and are going up \$100 million year over year when you factor in the budget year we're in and the budget year we're approaching.

Would you acknowledge that we are facing some challenging fiscal conditions, or do you think this is business as usual?

**Mr. McLeod:** There are—the government has expressed its interest to return to balance and we've proposed solutions through—to help the government return to balance. So we're not negating the fact that the government has said it has issues with respect to the finances of the province. We don't believe that there is a crisis and we certainly don't believe that Bill 28 is an appropriate response to the fiscal situation and the debt servicing costs and all the other things that have been said by many experts

who don't agree that this is the approach that is needed by this government.

\* (21:50)

**Mr. Lindsey:** I thank you for that, and I thank you for that previous response to the minister's question. It certainly is interesting to see that you have made presentation to the government on suggestions of how to get back in balance in a reasonable time frame without subjecting working people to hardship that this government has proposed. And yet would it—there's been no response to the government from any of those proposals? *[interjection]*

**Mr. Chairperson:** Mr. McLeod.

**Mr. McLeod:** We're—we continue to wait in response to the proposals that we provided to government.

**Mr. Gerrard:** Thank you very much for your presentation. I think it's noteworthy the length of—amount of effort that you've put into providing constructive comments. It's unfortunate that the government has decided not to listen to your suggestions, as well as others which have been made. I just want to make that comment and thank you for the efforts that you've made.

**Mr. McLeod:** Thank you.

**Mr. Chairperson:** Mr. Lindsey now.

**Mr. Lindsey:** Thank you for your responses.

So, when you got invited to the meeting in January, you were optimistic that the government was actually willing to consult and listen. Do you still share that same sense of optimism or have you come to the conclusion that the government has no interest in listening to what you have to say?

**Mr. McLeod:** We were hopeful and optimistic, and I have to say, regrettably, we're disappointed. We don't feel that we've been meaningfully consulted at all.

**Mr. Lindsey:** I thank you very much for your time coming out. Thank you.

**Mr. Chairperson:** We thank you for your presentation, Mr. McLeod.

We will now move on to the next presenter, the next presenter being Marianne Hladun. Marianne Hladun, Public Service Alliance of Canada.

Do you have any written materials for distribution to the committee?

**Ms. Marianne Hladun (Public Service Alliance of Canada):** Yes, I do.

**Mr. Chairperson:** You may proceed with your presentation as soon as that's—you're ready.

**Ms. Hladun:** Thank you, and I know it's getting late. My name is Marianne Hladun, and I'm here on behalf of the Public Service Alliance of Canada.

We represent approximately 8,000 workers in the province of Manitoba, and I, along with other union leaders within PSAC, we take our responsibility very seriously, and we strongly oppose Bill 28 in its entirety as it's both unfair and unconstitutional.

Over 1,000 PSAC members in Manitoba will be impacted by Bill 28, including those who provide quality health care to Canada's veterans at Deer Lodge Centre and also academic workers at the University of Winnipeg and Brandon University. Our members are on the front lines serving our veterans and supporting a system of quality post-secondary education.

The Manitoba Federation of Labour was contacted in December to set up a meeting to discuss the government's view of the fiscal reality. I believe you've heard other presenters that the intention was the public sector unions be part of a fiscal working group, but there was a problem because the government restricted the number of public sector unions that were invited to the meeting and there was no room at the table for all of us. And now we're impacted by the bill.

This was the only meeting with the Honourable Cameron Friesen, that attended, and I have yet to hear personally from the minister. It was very disappointing to be excluded from this invitation.

Following the initial meeting and after expressing our frustration with being left on the outside looking in, all unions representing public sector employees were extended an invitation to be part of the fiscal working group. Fast forward to be invited to several meetings on behalf of the government with Mr. Gerry Irving, and my only conclusion is that we have yet to be consulted in any meaningful way.

In order to be able to come up with solutions, we must understand the problem or the goal that's being sought. At each meeting, we asked for information about the government's fiscal objectives. We asked about the timelines. We have yet to receive an

answer. We believe that a healthy and strong economy benefits all Manitobans, and our members are not just employees; they're citizens. We want to work toward solutions, but at the end of the day, no solution is acceptable if it infringes on our right to fair collective bargaining.

We represent academic workers at the University of Winnipeg and Brandon University. These workers sought the benefits of a union to counter poor working conditions, low wages, no benefits, a.k.a. precarious work. We have actively been at the bargaining table seeking fair compensation and protections for these workers.

And just to note, in January of this year, on behalf of our academic capacity workers at the University of Winnipeg, their base salary was \$11 an hour for an undergraduate doing teaching assistant, marker, lab demonstrator—\$11 an hour. They were 27 per cent below the University of Manitoba. On average, our members at the University of Winnipeg were between 27 to 38 per cent below the wages at the University of Manitoba, so they sought to have a union. We represented them. We went to the bargaining table. We utilized our right through the Manitoba Labour Board and asked them to impose a first collective agreement. Our members were awarded increases of 10 to 23 per cent, and now we have Bill 28.

At the end of the day, we believe that the terms of our collective agreement should be determined at the bargaining table. Strong post-secondary education is a foundation for good-paying jobs that contributes to our economy, yet Bill 28 seeks to penalize those who contribute to ensuring a strong post-secondary system. As public sector unions, we're willing to come to the table to work out solutions good for workers and good for government, but we have to understand the problem before we can discuss solutions.

Our members at the University of Winnipeg and Brandon are expected to take wage freezes while still trying to pay their living expenses and tuition. And let's talk about tuition, with the cap being removed, with the rebates being gone. This is taking money directly out of the lowest-paid workers, our members who can—cannot afford it. They will have to make a choice between food, rent, tuition. And if they can't pay their tuition, they don't get to work there either. Many will have to take on other jobs, restricting the time that they have available to devote to their studies, which everyone as a student in our

post-secondary system should be able to focus on. We also have members at Deer Lodge who look after veterans in long-term care, and they deserve fair compensation that is negotiated at the bargaining table and not legislated.

So who benefits with Bill 28? Maybe Manitobans with enough disposable income to contribute to political party coffers. Maybe MLAs or bureaucrats who don't have to negotiate benefits and can pass legislation. At the end of the day, public sector unions have always been opening—open to working with government in producted and results-oriented ways. We attended meetings. We asked questions. We asked for information so that we could be productive but have yet to receive any response other than we will pass that on to government or we're not the decision makers. This is not consultation.

As one of the unions barred from the initial meeting with the Minister of Finance (Mr. Friesen), our response is simple: withdraw Bill 28. Respect union members' constitutionally protected right to collective bargaining. Thank you.

**Mr. Chairperson:** Thank you for your presentation, Ms. Hladun.

**Mr. Friesen:** I thank you, Ms. Hladun, for your presentation here this evening—appreciate your remarks.

**Mr. Lindsey:** I thank you, Ms. Hladun, for sharing your comments. It's unfortunate that you missed the first meeting and only meeting with the minister. It's my understanding that the rest of the few meetings that have been held have been less than productive and really wouldn't constitute any kind of consultation in a meaningful way. Is that correct?

**Ms. Hladun:** You're absolutely correct. We've asked questions, have not received any responses, and without information, you can't have dialogue.

\* (22:00)

**Mr. Lindsey:** I thank you for sharing that with us, and we look forward to the government listening to what yourself and many other people here—not just union leaders but working people, nurses, doctors, teachers that—said, and withdraw this bill.

**Mr. Gerrard:** Thank you so much for your presentation.

And I'd like clarification on one point just so that I'm clear on, say, where the University of Winnipeg

and the Brandon University are now. They negotiated these increases, but then there was a freeze. Did the increase happen before or is it being affected by the freeze which comes in the middle of the—what was to be an increase?

**Ms. Hladun:** We have several units at the University of Winnipeg. Our members of the English Language program have a collective agreement. They're seeking their second collective agreement. Academic capacity, the decision from the Labour Board goes into effect—went into effect January 28, 2017, and there's another increase that is due as per that award on August of this year. And we are currently seeking a first collective agreement for our members in the research assistant category.

**Mr. James Allum (Fort Garry-Riverview):** Ms. Hladun, welcome to committee tonight.

The government's been in power for less than 13 months and already we've had a government eliminate the Department of Labour, made it extremely difficult for people to join unions, and now, what appears to be an attack on collective bargaining. So I wouldn't blame you if you had a bit of a persecution complex.

But what I wanted to ask you is would you say that a precondition for repairing relationships would be the withdrawal of the bill and then the establishment of a meeting with the Premier, the minister, other government representatives, and other unions to try to get this back on track? Would that be the right way of how to repair the damage here?

**Ms. Hladun:** Thank you for the question.

At the end of the day we're open to discussing what is good for our members and what is good for the people of Manitoba.

Holding legislation over our head to be able to impose something where there's been no consultation, which we believe takes away our constitutional rights to sit down at a bargaining table as an equal across the table from an employer and have meaningful dialogue—and as other people have said, that doesn't mean you get what you want. I have personally been at a bargaining table for a national unit and sat across the table for three rounds. You're not going to get what you want, but it's the constant back and forth and that dialogue.

At the end of the day, if the intention is to respect the collective bargaining process, the only option is to withdraw Bill 28.

**Mr. Chairperson:** Seeing as no further questions, we thank you for your presentation, Ms. Hladun.

I will now call on Patrick McDonnell, a private citizen.

You may proceed with your presentation whenever you're ready, Mr. McDonnell.

**Mr. Patrick McDonnell (Private Citizen):** Thank you.

This legislation really has all the earmarks of revengefulness, and it is done without consultation. Having one meeting with close to 100,000 people represented by the labour side at that meeting is not meaningful consultation.

It's just like the closing of the ERs getting done without consultation. The government even created a review committee. They didn't wait until that committee had a report in before they moved on closing emergency rooms—just like that. Just like the election review, no consultation there.

And changes to the legislation that were brought in that is being adopted by other areas in Canada with limits—increasing limits, which again really shows where this government is going, and that is a disrespect for the average citizen, the person who can't afford the higher levels that are being brought in.

Just like the proposed amendments to pig farming. Not a scintilla of respect for the work of the environmental groups of this province, and the work that has been done on Lake Winnipeg over the last 12 years, no consultation.

I've been around the block a few times, ladies and gentlemen. I remember Trudeau and the former premier of this province, Ed Schreyer, who brought in wage and price controls—marvellous concept. Wages were controlled, prices weren't; and the end result of that was a slowdown in the economy. We went through that with them. Prices increased, and this brings me to the question: where are the teammates that our Premier speaks about? You're controlling wages, but I have not heard anything from this government yet about controlling prices or where the other teammates come from. Are they out volunteering zero increase in profits, for example, as was mentioned earlier? Are they suggesting a rollback in profits and contribution to the fund? Not at all.

We had consultation with the last Conservative government. They called us in. At that time—I'm

retired now, but I was at that time an officer with the Manitoba Government Employees' Union—and they said we want to bring in a process of layoffs, one day a week for 10 weeks. We said okay, we'll have a look at that. We want to consult with our membership. We agreed on two-week breathing period while we could that. I was on my way up to The Pas to meet with the members up there, and I heard the announcement on the radio. They had brought in the 10-day layoffs.

But, at least at that time, Filmon gave something back. There was some quid pro quo. There was time off with that reduced pay. But here, it's legislated zero and that's it. But Filmon did, at least, honour the concept and the principle and the right of collective bargaining. He had the legislative power and certainly used it, but he did not interfere with the time-honoured tradition, concept and right of collective bargaining.

The section 1, and that's all I'm going to deal with tonight because others have dealt with the rest of it, shows the hypocrisy. 1(a) The framework, this framework and it's specific. There's no framework for this. This is an unadulterated power issue—what's the word to use?—initiation. (b) Sustainability to collective bargaining. It controls collective bargaining; it doesn't sustain it. And I'd put it to you on the government's side that if this is your concept of sustaining and protecting and reinforcing collective bargaining, you might want to think you've got the wrong end of the stick.

We had a presentation earlier from the nurses. Give you another little quick history lesson. In the previous Conservative government, they cut our—back nurses. They laid hundreds of them off. The number was around 800, actually. And they cut back nurse training in the—at Red River College. Not only were the Conservative government of Manitoba doing that but other Conservative governments across the country were doing the same thing, and what did—what happened? The end result of that was a false created shortage of nurses. Nurses went south. Nurses weren't trained to replace those who were retiring. And then we found in the '90s, suddenly, this tremendous shortage of nurses, and different governments were competing then by increasing rates, increasing wages—increasing wages, because they had created this shortage that they're now paying for to try and correct.

\* (22:10)

The fiscal crisis, the minister concentrates on this and asks about the fiscal crisis. There is no fiscal

crisis. There is a fiscal challenge, certainly. But the only step I've seen thus far is to take 100,000 employees, throw human resources concepts of good employee relations out the window and put in—take away the bargaining rights and put in zero percentages for two years and 0.5 for one and then 0.75 for one. Who knows, it might be zero to four years if it's negotiated and if conditions are the way they are—that depends on it. The flip of that is, suppose we've got inflation, fly-away inflation like we got in the '80s? One hundred thousand working stiffs in this province are limited to 0.5 or 0.75 regardless of what the inflation rates or the GDP is at that time.

I came to Canada when I was 12. I had to go to work when I was 14 to help support a family; there was six children. And I have found in my working life a variety of things that where I was involved in a non-union job, and most of my working life was, and a third of my working life was in management. I found it far better to consult honourably, to communicate, and when an employer communicated with me, they couldn't afford me, I had a choice. When I was with a union, I had the strength of collectiveness. It was like family. And just as I went to work for that—to support my parents and my brothers and sisters, we do the same thing now. We consult with the employer, we work out a deal with the employer and we move on from there.

The economics professor from University of Manitoba gave you some very clear indications of where to go with this. I mentioned where—when I came to Canada because I came from Ireland. Ireland has a population of 3 and a half million, approximately, compared to a million and a half here. You're talking about an \$800-million deficit. They tanked in 2008. And with loans from the EU that help them survive, they had a deficit and a debt of over \$30 billion, which they paid off, and they paid off without interfering one collective agreement, without—they had free tuition to university, not rollbacks as we're getting here, free tuition, university tuition, which they did not interfere with and they turned the economy around in an eight-year period, which is coincidental with the eight-year period that this government is talking about doing.

But without the draconian, and I'm going to use the term dishonourable, choices that this government is making—you can't spend your way out of a recession. You can to a degree. You can't certainly get your way out of it with austerity. And—

**Mr. Chairperson:** Mr. McDonnell, your time has expired.

**Mr. McDonnell:** Can you give me 15 seconds to wrap up?

**Mr. Chairperson:** Fine.

**Mr. McDonnell:** Premier Cam Campbell [*phonetic*] and his predecessors were tight-fisted government 'administrashors' until a Conservative premier came around, Duff Roblin, who reversed that thinking, consulted with the employees of the civil service, agreed with a pension plan investment and built the floodway. And built on that, he went on with other things, and that's really major move in turning this province around from where it was.

**Mr. Chairperson:** Mr. McDonnell, you have gone quite a bit over the 15 seconds.

We thank you very much for your presentation.

Questions?

**Mr. Lindsey:** I wish to thank you for hanging in here as long as you have. Certainly you've presented us with some interesting information on things from a historical nature and also things that have taken place in other jurisdictions that, again, if the government actually sat down and consulted with people, they would have that information, as well, and would be able to make different decisions. So I don't really have any questions for you, but I do thank you very much for coming out tonight.

**Mr. Gerrard:** I want to say thank you very much for coming and presenting, and having waited a long time to have that opportunity. And it was certainly worth listening to you and getting your insight, and it fits in with comments which have—made by others in terms of—respectful of this bill, which is, from all the reports we've had, a significant mistake.

**Mr. McDonnell:** Thank you. It's not an effort; it's a civic duty.

**Mr. Friesen:** Thank you, Mr. McDonnell, for being here this evening.

You made a number of assertions, not all of them factually correct. I won't quarrel with you on all these things, but I will bring a couple of clarifications which I think are necessary. You said that our government proceeded, without evidence, to do WRHA renewal. The actions that our government is basing the WRHA plan on is the Peachey report, a report that was commissioned by and received by former NDP government—of a commissioned report

that is focusing on better outcomes for patient experience. You indicated that you can't spend your way to prosperity. I would say to you, sir, that you can't overspend your way to balance.

And so, while I think that you and I would disagree on many things, I would also add one thing and that is, you said you see no evidence of any fidelity or interest in other activities—just this. I would suggest to you you're not paying close enough attention. Our government has done a lot to convey our intention to overall look at how to grow the economy; how to fix the services; and how to do everything from entertain better, innovative approaches to spending, like P3s and space rationalization procurement practices. I agree with you, sir, that we will not make progress if somehow we are fixated on only one thing.

So I do thank you for your attention with us this evening. Thank you for hanging in there 'til the end of the presentation period, to give us your views on these things.

**Mr. McDonnell:** I can't cover all you said, but three quick responses.

I did not refer to the WRHA or anything like that, so whether your speaking notes are there for something else, you know—

**An Honourable Member:** You said it, sir.

**Mr. McDonnell:** Pardon—no.

The second thing is, I was referring to all hands on deck. This is a team effort, and the only ones on deck are us deckhands.

**Mr. Chairperson:** We thank you for your presentation, Mr. McDonald [*phonetic*].

We will now move to Morris Broder.

We are calling the presenters that were previously called but were not here.

Morris Broder. Is Mr. Broder present? He will now be dropped from the list.

Jake—Jason Hawkins. Jason Hawkins. Is Mr. Hawkins present? Mr. Hawkins will now be dropped from the list.

Sonia Taylor. Is Sonia Taylor present? Sonia Taylor will be dropped from the list.

Glenda Brown. Is Glenda Brown present? Glenda Brown will now be dropped from the list.

Paul Roche. Is Paul Roche here? Mr. Roche will now be dropped from the list.

Loreto Gutierrez. Would Loreto Gutierrez be here? Loreto Gutierrez will now be dropped from the list.

Garry Bergeron. Is Garry Bergeron here? He will now be dropped from the list.

That concludes the list of presenters I have before me. Are there any other persons in attendance who wish to make a presentation?

Seeing none, that concludes public presentations.  
\* (22:20)

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**Mr. Chairperson:** We will now proceed to clause-by-clause consideration of Bill 28.

During the consideration of a bill, the preamble, the enacting clause and the title are postponed until all other clauses have been considered in their proper order.

Also, if there is agreement from the Committee, the Chair will call clauses in blocks that conform to pages with the understanding that we will stop at any particular clause or clauses where members may have comments, questions, or amendments to propose.

Is that agreed? [*Agreed*]

Does the minister responsible for Bill 28 have an opening statement?

**Mr. Friesen:** I've been pleased to hear the presentations made by individuals, Manitobans, and associations and groups this evening. Our government has been clear that the bill that we have brought is designed to address, in part, significant fiscal challenges that our province faces after years of overspending by the previous NDP government and years of unsustainable spending growth measured against revenue growth that could not keep up.

In this context, Manitoba is at a position now where the debt of our province has doubled to over \$23 billion in just eight years. The NDP government's final budget before they were voted out was estimated first at just over \$400 million, coming in at over \$865 million as reported in the public accounts. Our province is into a borrowing program that is in excess of \$6 billion per year in terms of requirements.

And, most significant to Manitobans, the result of this trend is one that is not sustainable, and that is

the increase that we see to debt service charges. That increase was measured in the third quarter results of this year at \$61 million and the Budget 2017 shows that that pressure will continue to escalate on debt service charge. Every dollar that this province pays additionally to service our province's debt is a dollar that cannot be put into the delivery of front-line services, into infrastructure, into education and training, into all of these areas' front-line services that we depend on and deserve as Manitobans.

It is in this context that we have introduced Bill 28, a bill that we believe is reasonable; a bill that we believe is balanced in its approach; is moderate. Certainly, some would say that we are going too far; others would say we are not going far enough. We believe we've taken the approach that demonstrates a—parameters around wage awards and then eventually and gradually releasing the constraint on those wage controls. It defines a four-year rolling period in which government ability to pay would have to be taken into account in negotiations.

It is important to also understand what the bill does not do. The bill does not seek to open negotiated settlements. This bill does not roll back wage increases. This bill does not disrespect the place of the mediator, the conciliator, in the bargaining process. This bill allows for the normal incremental steps and increases to be given out when there's a new position filled.

So, in none of those cases does this bill run roughshod over the process. It prescribes a reasonable period of time that will help to press the reset button when it comes to collective bargaining in the province of Manitoba. We respect the work of labour in this province, respect the work of workers in this province, and we have heard impassioned pleas this evening from those who represent those groups, and we absolutely stand on the side of those Manitobans who are delivering that good work on all of our behalves each and every day in this province.

At the same time, we recognize, as government, that we must create the conditions in which we can continue to deliver those services to Manitobans, not just for today and not just for tomorrow. We do not take the view that the budget will balance itself with these new economic growth rates that are forecast to be much lower than five, six, seven, eight years ago; a GDP increase rate for the province of Manitoba that is set to lead the nation at under 2 per cent and at 2 per cent.

These are not conditions in which revenue will simply overtake expenditure. It will take much more than this bill, but we believe that this is a process that will help all Manitobans along the way to the sustainability that we so need in our province. This, along with our—with initiatives that we are bringing to fix the finances and repair the services, rebuild the economy, we believe, are putting Manitoba on the road to recovery.

**Mr. Chairperson:** We thank the minister for his statement.

Does the critic for—from the official opposition have an opening statement?

**Mr. Lindsey:** Thank you for the opportunity to put a few words on record.

The whole point of this particular piece of legislation really flies in the face of respect for working people, particularly working people in the public sector. If this government and this minister actually respected them, they would have sat down and listened, through a reasonable consultation process, a process that traditionally, we call collective bargaining.

This government chose to not do that. The unions, to their credit, tried to come to the table and present meaningful alternatives to this government, and it fell on deaf ears. That's not a definition of consultation in anybody's books. I come out of a workplace for many years where we fought quite a bit about what consultation meant. This, that the government has done, clearly does not meet even the lowest definition of consultation.

So I would again really request that the minister withdraw this legislation, respect working people in this province, respect the unions that represent those people. The government claims to speak for all Manitobans. We, as MLAs, speak for our constituents. And yet this government seems to refuse to accept that unions speak for their members, and as such, is really 'egarious' for working people that you don't respect them.

You know, you took a swipe at every public sector worker in the province of Manitoba, with the exception of judges, in this particular piece of legislation, which again leaves me to wonder, why are judges so special? Because they have the ability to get to the Supreme Court quicker than anybody else? I don't know the answer to that, but really, it seems odd that those are the ones that you've left out.

And the minister earlier said that they weren't fixated on only one thing. Well, I tend to disagree with that statement. This government seems to be fixated on one thing, and that's attacking working people, whether it's public sector workers or other unionized workers. That seems to be the fixation of this government, is to attack those workers and try and attack their rights that, to the best of my knowledge, are guaranteed under the Constitution of this country.

So, having said that, I'll wrap up my comments because it's late. I could go on much longer about what's wrong with this legislation. My final words would be to implore this minister and this government to withdraw this legislation right now.

**Mr. Chairperson:** We thank the member for his statement.

Shall clause 1 pass?

**Some Honourable Members:** No.

**Some Honourable Members:** Pass.

**Mr. Chairperson:** I hear a no. *[interjection]*

Mr. Lindsey, I have to recognize you first.

**Mr. Lindsey:** Clause 1 should not pass, as the entire bill should not pass, so I'd like to request a vote on this.

#### Voice Vote

**Mr. Chairperson:** Shall clause 1 pass?

**Some Honourable Members:** No.

**Some Honourable Members:** Yes.

**Mr. Chairperson:** All those in favour of clause 1, please say aye.

**Some Honourable Members:** Aye.

**Mr. Chairperson:** All those opposed, please say nay.

**Some Honourable Members:** Nay.

\* (22:30)

**Mr. Chairperson:** In my opinion, the Ayes have it.

**An Honourable Member:** Recorded vote, please.

**Mr. Chairperson:** Mr. Swan? Or Mr. Lindsey had some—Mr. Lindsey.

#### Recorded Vote

**Mr. Lindsey:** I request a recorded vote, please.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clause 1 is—the vote is 6-4. Clause 1 is accordingly passed.

\*\*\*

**Mr. Chairperson:** Shall clause 2 pass?

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

**Mr. Chairperson:** I hear a no.

**Mr. Lindsey:** Again, clause 2 should not pass, as the whole bill should not pass. And again I would request a recorded vote, please.

#### Voice Vote

**Mr. Chairperson:** All those in favour of clause 2 pass, please say aye.

**Some Honourable Members:** Aye.

**Mr. Chairperson:** All those in—opposed, please say nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In my opinion, the Ayes have it.

#### Recorded Vote

**An Honourable Member:** Recorded vote, please.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Six to four. Clause 2 accordingly passed.

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**Mr. Chairperson:** Shall clause 3 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no. I hear a no.

#### Recorded Vote

**Mr. Lindsey:** Again, clause 3 should not pass, as the entire bill should not pass. And I would request a recorded vote again.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*



**Mr. Chairperson:** Six to four. Clause 3 is accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clauses 4 through 7 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** Shall clause 4 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Again, these clauses should not pass, as the entire bill should not pass. It's just plain wrong, so I would request a recorded vote again.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Six to four. Clause 4 through 7—pass—are accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clauses 8 through 10 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Again, I believe that this entire bill is wrong and should be withdrawn, so every clause should not pass, and I would request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Six Yeas, four Nays. Clauses 8 through 10 accordingly pass.

\* \* \*

**Mr. Chairperson:** Shall clauses 11 and 12 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** Mr. Lindsey, I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, I must oppose these clauses as I oppose the whole bill and they should not pass, and I would request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clauses 11 and 12 are accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clauses 13 through 15 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, these clauses should not pass as the entire bill should not pass, and I would request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clauses 13 through 15 are accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clauses 16 through 18 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, these clauses should not pass as the entire bill should not pass, and I would request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clauses 16 through 18 are accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clauses 19 through 21 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, these clauses should not pass as the entire bill should not pass, and I would request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clauses 19 through 21 are accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clause 22 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, this clause should not pass as the entire bill should not pass, and I request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clause 22 is accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clause 23 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, this clause should not pass as the entire bill should not pass, and I request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clause 23 is accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clause 24 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** I believe this clause should not pass as well because the entire bill should not pass, and I would request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clause 24 is accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clauses 25 and 26 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, these clauses should not pass as the entire bill should not pass, and I request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clauses 25 and 26 are accordingly passed.

\* \* \*

\* (22:40)

**Mr. Chairperson:** Shall clauses 27 through 29 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, these clauses should not pass as the entire bill should not pass, and I request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clauses 27 through 29 are accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall clauses 30 and 31 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, these clauses should not pass, as the entire bill should not pass, and I request a recorded vote.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** Clauses 30 and 31 are accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall the enacting clause pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Mr. Chairperson:** I hear a no.

**Recorded Vote**

**Mr. Lindsey:** Once again, there's no need to enact this because the entire bill should not pass, and I request a recorded vote.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** The enacting clause is accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall the title pass?

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

**Mr. Chairperson:** I hear a no.

**Mr. Lindsey:** I would like to address the ongoing problems with this bill.

It's heavy-handed; it's not required. This government has decided to attack working people, in this case to attack public servants that provide services that so many Manitobans dearly depend on. This bill will not make those services more readily available. This government got elected on a promise to protect front-line services; this bill does not protect front-line services. It does not protect front-line workers. It goes against pretty much everything that this government and this Premier (Mr. Pallister) promised during the election and, as such, it should be withdrawn.

In the spirit of understanding what consultation is, this bill should be withdrawn, because there has been no proper consultation and it's clear that this government really has no intention of carrying out proper consultation before it introduces such draconian measures that really are possibly a violation of our Charter.

Workers in this country have fought long and hard for the right to have unions, for the right to have collective bargaining. Having said that, workers in this province have long been responsible in how they exercise those very rights that they fought hard for. When times have been tough, they've been willing to sit down and listen and negotiate and be consulted and present ideas and present alternatives.

This government had decided that they don't want to listen. This government has decided that consultation is not what they're interested in. This government has decided that protecting Charter rights is also not what they're interested in. This government has strictly decided that they must attack working people, no matter where they find them, whether it's in the private sector, the public sector. Workers are not respected by this government and this government should be ashamed that they've introduced such legislation.

I cannot stress enough that this bill is wrong. This bill flies in the face of collective bargaining.

In 2019 it'll be 100 years since the Winnipeg General Strike, and yet this bill is an attempt to take us back to those very days that led to that kind of action by working people in this province to stick up for themselves, to stand up for their rights. And

workers in this province will not be cowed, I don't believe. They will continue to stand up for their rights in the face of this government's refusal to actually sit down and negotiate in good faith with them.

And that concludes my remarks.

**Mr. Chairperson:** Shall the title pass?

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

#### Recorded Vote

**Mr. Lindsey:** Well, once again, the title of this bill should not pass. The entire bill should not pass. There's no need for this, and I would request a recorded vote.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** The title is accordingly passed.

\* \* \*

**Mr. Chairperson:** Shall the bill be reported?

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

**Mr. Chairperson:** I hear a no.

#### Recorded Vote

**Mr. Lindsey:** Once again, I would request a recorded vote on this because the bill is just wrong.

**Mr. Chairperson:** A recorded vote has been requested.

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.*

**Mr. Chairperson:** The bill shall accordingly be—or bill shall be reported.

\* \* \*

**Mr. Chairperson:** This concludes the committee for Bill 28.

The hour being 10:46, what is the will of the committee?

**Some Honourable Members:** Rise.

**Mr. Chairperson:** Committee rise.

*COMMITTEE ROSE AT: 10:46 p.m.*

## WRITTEN SUBMISSIONS

Re: Bill 28

Dear Members of the Committee,

Bill 28, the Public Services Sustainability Act ('the Act') is a fundamentally flawed approach to balancing the provincial budget. First, with regard to employees of the University of Manitoba, it tramples on the principles of institutional autonomy enshrined in the University of Manitoba Act and puts the UM in a deeply uncompetitive position going forward in its ability to recruit and retain excellent faculty. Second, the Act is unnecessary in order to accomplish the government's stated goal of bringing the budget into balance within 8 years. Third, it infringes heavily upon a constitutionally-protected right. Fourth, it has been developed with no consultation with affected public sector workers or their unions.

The University of Manitoba is a pillar of the province. As the flagship research university, we provide an excellent post-secondary education for about 30,000 students from Manitoba and around the world. We engage in crucial research to build basic scientific knowledge, improve Manitobans' quality of life, to highlight and provide solutions to local and global problems, and to enhance productivity. A 2009 impact analysis by PriceWaterhouseCoopers demonstrates that beyond these vital social benefits, UM produced approximately \$1 billion in value added to the Manitoba economy.

The UM will no doubt suffer in its aspirations to attain a competitive position relative to its peers in the research community given the salary impacts of Bill 28's compensation framework. As knowledge and skills become more central to our economic well-being, hamstringing the UM's capacity to hire and to retain top scientists and researchers—which will be the main effect of the Act on the UM—will have long-term negative consequences for our province. UM is already in an unfavourable competitive position for attracting excellent scholars, researchers, librarians, and teachers, given salaries elsewhere in Canada, and four years under Bill 28's compensation framework will expand the competitive gap between UM and its peer institutions. The university, the province, and Manitobans, will suffer as a result.

Analysis by the Manitoba Federation of Labour—and the government's own numbers as presented in Budget 2017—suggests that without legislating wage

increases, and with reasonable moderation of expenditure growth attainable through collective bargaining, the Manitoba budget could be balanced within 8 years. As President of one of the unions which took seriously the government's offer to meet through a Fiscal Working Group, and to discuss options to improve the province's fiscal balance, I was pleased to see that without tax increases, there was a viable plan developed by the MFL to return the province to balance within the government's publicly-stated timeframe. However, there was no meaningful discussion of or comment from government with regard to this plan. Instead, the government introduced The Public Sector Sustainability Act, never having addressed or responded to any of the specifics of that plan. Given that unions and their members are willing to play their part, through collective bargaining, to help improve the province's fiscal position, wage legislation is simply not necessary to attain the goals the government has set for itself.

It is additionally noteworthy that in the context of addressing what the government alleges is a dire fiscal situation, the government has chosen to borrow funds in order to pay into the Fiscal Stabilization Fund (the so-called "rainy day fund" established precisely to help the province manage during difficult fiscal moments), to reduce its own revenues going forward through tax bracket indexation, and to increase the political contributions tax credit for wealthy donors. Meanwhile, it is happy to take drastic legislative action, freezing the wages of those who deliver crucial public services.

In addition to being unnecessary, the Act severely undermines the exercise of Manitobans' constitutionally-protected right to collectively bargain. Rights such as these cannot be swept aside, and Manitobans expect our government to live within the law of the land. Collective bargaining is a manifestation of the right of free association, a right which must be respected and safeguarded in any democratic society. The government has refused to engage in any discussion about alternatives to Bill 28, being from the beginning focused on an unnecessarily heavy-handed path of wage legislation. Collective bargaining works to achieve the goals of both employers and workers, and it is a right.

Finally, I note with extreme disappointment the complete lack of any meaningful consultation with the affected unions in either the development of the Act, or the contemplation of alternatives to it. Public sector unions, including UMFA, came with good will

and a determination to engage in discussions with government about the fiscal situation of the province, about the need to address the deficit, and about options for doing so within a reasonable timeframe. We were frustrated to be met with silence and a lack of any meaningful communication from government. As we were putting forward proposals and suggestions to help the government achieve its goals, our requests for comment and for basic information went unanswered. The government would not communicate its near-term targets or objectives. Simply attending meetings while refusing to provide information, share analysis of the fiscal situation, communicate objectives, comment on proposals, or discuss options does not constitute consultation, yet this has been the pattern.

In closing, UMFA urges the Committee to consider in its findings that Bill 28 is harmful to the University of Manitoba's current and future capacity to undertake its public mission and to contribute to the Manitoba economy; that it is unnecessary in order to return the province's fiscal position to balance; that it undermines the constitutionally-protected right to collectively bargain, that no consultation has taken place with those most heavily-affected, and; that other options for pursuing the government's stated eight-year timeframe for return to fiscal balance should be considered which allow workers to exercise their rights of free association.

Sincerely,  
Mark Hudson, UMFA President

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Re: Bill 28

To whom it may concern,

As someone who has worked in unionized and non-unionized environments, I was quite surprised to read about Bill 28 and the Pallister government's approach to the provincial deficit.

The deficit today wasn't built over night. Investing into infrastructure and other projects in Manitoba steered our economy through storms that slammed neighbouring provinces. Back-to-back floods in Manitoba also took their toll on the provincial purse. Today, we have a government that campaigned in 2016 on a narrative that our spending was out of control, yet numerous financial institutions and economists endorsed the NDP budgets.

Today, we have a Conservative government running around the province like Chicken Little telling

Manitobans that their 'blue sky' is falling when nothing could be further from the truth.

While it took years to create this deficit, a deficit used to protect jobs and core services, the Pallister government has taken an approach that defies logic and only plays to political rhetoric.

I know it's a stretch to ask a Conservative government to understand that collective bargaining is a two-way street, there is always give and take. During the tough times, the employer takes a firm hand on costs and employees look at ways to help the organization through the rough patch.

Now, what the Pallister government has done is handcuffed thousands of public sector workers regardless if they are unionized or not. What they could have done instead is properly utilize the collective bargaining process and allow workers the chance to help develop a solution and be a part of the process.

Capping increases prior to bargaining at zero per cent in the first two years of a four-year deal then a .75 per cent and one per cent in the final year is the a very short-sighted plan to be introduced on Broadway. I say this because while the Pallister government has used the reasoning that it received a strong mandate during the election for Bill 28, it falls short of saying that its campaign promise was to fix the deficit in eight years. Not in two or three or four on the backs of these workers.

If the government of the day wants to use the election results as a mandate then it must respect the whole paragraph of the pledge it presented to Manitobans and not cherry pick from it.

While the onus of liability keeps being shuffled onto the workers, for political points, it will be all Manitobans who lose out. Services will be cut or diminished, a thriving economy will be disassembled for political points while not understanding the damaging affect this will cause.

I respectfully ask that the Pallister government bargain in good faith and not use public workers as a scapegoat for their political ideologies. If they want to use their election victory as a mandate to run the province, then ensure they are following all their promises they presented to Manitobans.

Sincerely,  
Blake Crothers

Re: Bill 28

Unifor stands with all the unions in Manitoba who represent public sector workers. More importantly, Unifor stands with Manitobans—the citizens of this great province who benefit from public services like health care, education and infrastructure.

That's why Unifor opposes the draconian legislation that is before us—Bill 28, which comes to us under the Orwellian name of The Public Services Sustainability Act.

This legislation was unnecessary on all counts. There is no need for it at all. Free and fair collective bargaining in the public sector has worked for all parties. This government sees fit to reach its goals not through cooperation and collaboration but through heavy-handed legislation.

As largely a private sector union that is 315,000 strong nation-wide and 12,000 strong in Manitoba, Unifor represents about 2,100 men and women who work in our casinos, assisted living facilities, social service agencies, Manitoba Hydro, University of Manitoba, and in our communities.

These are workers dedicated to their jobs and their community. These workers participate in the democratic activity of being in a union and bargaining their conditions of employment. The right to free and unfettered collective bargaining is a benchmark of a free society.

Our Premier professes to be "an old union guy" but then proclaims that public sector unions have had it easy.

The CBC (another excellent public sector service) quotes the Premier as follows:

"Trying to get as much co-operation as we can from public sector leaders—who have had it fairly good for quite a while and have basically run the government—is a challenge. And really the bargaining table wasn't necessary. It was treated as a buffet table for a long time."

Bargaining is anything but a buffet table. Many times what is on offer from the employer, even a public sector employer, is more like bread and water rations.

Perhaps there are few sitting government members who have ever been in contract talks between a union and an employer. A negotiated contract is never an easy task. It is full of compromises and concessions. The zeros that many public sector unions took under

the previous government are proof that bargaining even with your "friends" can be arduous.

Unifor fully endorses the submissions of the Manitoba Federation of Labour on this bill. We stand with the MFL, its affiliates and all Manitobans who are concerned this Bill interferes with Manitobans' rights to bargain freely.

Unifor's objections are on several fronts.

**Collective bargaining:** This Bill attacks collective bargaining by imposing conditions of employment on workers without their democratic right to negotiate for themselves. Collective bargaining works.

Workers focus and prioritize the conditions they want in the workplace. Far from being a buffet, workers reach compromise on their objectives with the Employer to produce a fair and workable agreement for the parties. The deal that is reached through this process is considered fair and reasonable by the parties and creates stability in the workplace for the duration of the agreement. That is the very opposite of what this Bill sets out to do.

**Consultation:** The government never initiated a meaningful consultation process with labour leaders or indeed the broader community. Government invited labour to meetings, but sent staff who couldn't articulate government objectives, couldn't answer questions, couldn't engage in a dialogue, and couldn't respond to proposals.

Government has refused to outline its objectives, refused to answer basic questions, and refused to respond to labour's proposals. That is not consultation.

The process bears all the markings of a government that decided during its Throne Speech in November that it would legislate the changes it arbitrarily

deemed were necessary. The process up to now, and indeed at the committee stage, seems perfunctory.

**Austerity:** Unifor does not buy into the ideologically-based austerity program of this government. This government falsely portrays the Manitoba economy as being in dire circumstances or alarming. Yet economic forecast after forecast by reputable non-partisan financial observers shows that the economy is strong.

We agree that an eight-year plan to return to balance is responsible. Yet to focus solely on deficit reduction is narrow-minded. "Cutting" isn't a plan. It's not the size of our deficit and debt in itself that counts. Deficits and debt taken in context of their relative size to the economy and GDP is the key.

The government's budget papers pin the deficit at \$840M and our debt/GDP ratio for 2017/18 is forecast at 35.7 percent. That is a healthy ratio. Debt servicing is pegged at 1.4 percent of GDP, up only one tenth of one percent. These are not "dire."

This government focuses entirely on cutting spending without analyzing the revenue side at all. Indeed, as the MFL submission notes, the government's own planned actions will reduce revenues by as much as \$170 million by the 2019/20 budget year.

Unifor urges the legislature to abandon this legislation. Instead Unifor asks on behalf of its members and all Manitobans that this government allow collective bargaining to do its work. Additionally we ask you pursue a policy of economic growth and put away the scissors.

Paul McKie  
Unifor MB/SK  
Area Director

The Legislative Assembly of Manitoba Debates and Proceedings  
are also available on the Internet at the following address:

**<http://www.gov.mb.ca/legislature/hansard/hansard.html>**