



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

STANDING COMMITTEE

on

INDUSTRIAL RELATIONS

40 Elizabeth II

Chairman
Mr. Marcel Laurendeau
Constituency of St. Norbert



VOL. XL No. 3 - 8 p.m., WEDNESDAY, JULY 10, 1991



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

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

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

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON INDUSTRIAL RELATIONS
Wednesday, July 10, 1991

TIME — 8 p.m.

LOCATION — Winnipeg, Manitoba

CHAIRMAN — Mr. Marcel Laurendeau (St. Norbert)

ATTENDANCE - 11 — QUORUM - 6

Members of the committee present:

Hon. Messrs. Derkach, Manness, Stefanson
 Mrs. Dacquay, Messrs. Evans (Brandon East),
 Evans (Interlake), Hickes, Lamoureux,
 Laurendeau, Rose, Mrs. Vodrey

*Substitutions: Mr. Ashton for Mr. Evans
 (Brandon East) at (0140)

Mr. Evans (Brandon East) for Mr. Ashton at
 (0457)

WITNESSES:

Judy Bradley, The Manitoba Teachers' Society

George Bergen, Private Citizen

Blair Hamilton, Canadian Union of Public
 Employees, Local 3551

Clyde Huff, Private Citizen

Harry Mesman, Private Citizen

Robert Olien, Private Citizen

Doug Shattuck, Private Citizen

Joan Lyons, Private Citizen

Bruce Mackay, Private Citizen

Hugh Connelly, Private Citizen

Ken Guilford, Private Citizen

Annette Maloney, Private Citizen

Bruce Buckley, Private Citizen

Anne Gregory, Private Citizen

Shirley Lord, Private Citizen

Paul Moist, Private Citizen

Richard Lennon, Private Citizen

Shirley Denesiuk, Canadian Union of Public
 Employees, Local 998

Martin J. Stadler, Private Citizen

Marie Clow, Private Citizen

Nancy Webster Cole, Telecommunications
 Employees

Elaine Zadorozny, Private Citizen

Written Presentations Submitted:

Al Pitt, Private Citizen

MATTERS UNDER DISCUSSION:

Bill 70—The Public Sector Compensation
 Management Act

* * *

Mr. Chairman: Order, please. Will the Standing Committee on Industrial Relations please come to order. This evening the standing committee will be considering Bill 70, The Public Sector Compensation Management Act (Loi sur la gestion des salaires du secteur public).

* (2005)

I would like to point out that this committee will also be considering Bill 70 tomorrow, July 11 at 10 a.m. and at 7 p.m.; Friday, July 12 at 1 p.m.; and Saturday, July 13 at 10 a.m. and continuing all day.

I would like to inform the committee that one card and one letter have been received by the committee clerk with regard to Bill 70. The card is from Verna Ziprick of Russell, Manitoba, who indicates her opposition to Bill 70. The letter is from M. Robinson of Winnipeg who also expresses opposition to the bill. These items are on file with the committee clerk and are available for the perusal of the committee members. A written brief from Mr. Al Pitt of Winnipeg has been received and will be circulated to the members of the committee.

Is it the will of the committee that written submissions received be printed in the committee Hansard?

Some Honourable Members: Agreed.

Mr. Chairman: Agreed. I would also like to remind the public that the process that will be followed by this committee is that out-of-town presenters will be asked to identify themselves to the committee clerk and the committee will endeavour to hear from these persons first. Once the out-of-town presenters

have been heard from, the names will be called from the list in numerical order. Is it still the wish of the committee that we consider the out-of-town presenters?

Mr. Steve Ashton (Thompson): Mr. Chairperson, we had also indicated yesterday those individuals unable to attend at subsequent committee hearings would also have the opportunity to ensure they made a presentation.

I would also ask, Mr. Chairperson, if we, as a committee, could perhaps give some indication to the members of the public how late we will be sitting, or at least when we will assess the time that we will be sitting in this particular committee? We noted, yesterday I believe, at about midnight we had assessed that. I think it is only fair that we give some indication tonight as well, regardless of what adjournment time we do select.

* (2010)

Hon. Clayton Manness (Minister of Finance): Mr. Chairman, the government is prepared to do an assessment in and around midnight. Certainly, to the extent that presenters are here, we are wanting to sit again late tonight into tomorrow morning, but let us do an assessment again around midnight.

Mr. Chairman: So it is agreed by the committee then we will reassess at 12 midnight?

Some Honourable Members: Agreed.

Mr. Chairman: If a presenter is not here the first time his or her name is called, that name will be dropped to the bottom of the list. If the presenter is not here when his or her name is called a second time, that name will be dropped from the list. However, the committee will attempt to accommodate those persons who indicate that they are unable to present on certain days but can attend on others.

At this point, I would also like to indicate to the members of the public that under the rules of decorum, the general public watching should not interfere or impede the proceedings of the committee. This includes applauding, cheering, heckling and booing. These meetings are held to ensure that the public has the opportunity to make presentations on the legislation; however, this does not mean that the public is permitted to disrupt the proceedings. This is a serious issue that people feel emotional about; however, decorum and courtesy must be adhered to. We sincerely hope that this will happen here this evening. It also

causes problems with the Hansard when there are a lot of interruptions, and we do lose a lot of the reporting stages of this bill. So I would appreciate if you would all hold it, and I am sure my committee members will adhere to that this evening. We will now start.

We will ask at this time if there are any out-of-town presenters in attendance to please identify themselves to the clerk.

I am going proceed to call the next number on the bill. We now call on No. 2, Judy Bradley, Manitoba Teachers' Society. Have you got a written presentation?

Ms. Judy Bradley (The Manitoba Teachers' Society): Yes, I have.

Mr. Chairman: The clerk will just get it from you and pass it around to the committee members. If you will just give me a minute to get it around. Go ahead.

Ms. Bradley: Good evening, committee Chairman and committee members. I thank you for the opportunity to be before you on this wonderful summer evening regarding Bill 70. If my papers do not fly away I will be just fine here.

The Manitoba Teachers' Society makes this presentation to voice its opposition to the passage of Bill 70, The Public Sector Compensation Management Act, an act that would suspend the collective bargaining rights of selected public sector workers.

While the act does not include teachers it would, by regulation, enable the government to include any groups not specifically mentioned in the legislation. Teachers could thus be included as some future date. There is, however, a more important issue: the right of an employee group to bargain collectively with its employer for wages, benefits, and working conditions.

The press release announced this proposed legislation quotes Mr. Manness as asking those groups employed by the people of Manitoba to put aside their wage demands for one year. The passage of this act will not result in asking, but imposing a unilateral suspension of collective bargaining rights. The right of employees to bargain collectively has evolved over a long history. To remove this right for whatever period of time, for any employee group, is regressive and wrong.

The society is very concerned about the broad and ongoing authority which the provincial government is seeking under the terms of Bill 70. Certain sections of the proposed legislation are extremely open-ended and subject to varied interpretations.

For example, Section 2(1) defining the application time line, includes the phrase, "or any later date that may be prescribed by the Lieutenant Governor in Council". In addition, Section 9(1) authorizes provincial cabinet to invoke provincial regulations in order to determine a series of matters. Apparently, Bill 70 would permit the Manitoba government to control and manipulate public sector collective agreements by means of provincial cabinet fiat.

While we strongly oppose this legislation, at a very minimum the society recommends that Bill 70 be amended by including a sunset clause which would hold the statute to be of no force and effect as at the conclusion of the government fiscal year March 31, 1992. The inclusion of such a sunset clause would demonstrate good faith on the part of the government that this is indeed a temporary measure.

* (2015)

The government of Manitoba has been indicating to the citizens of our province that the blunt and harsh action of Bill 70 is necessary because the provincial government has no other choice. The Minister of Finance (Mr. Manness) repeatedly draws attention to the depleted flow of revenue to the provincial treasury in recent months. The society recognizes the weakening of revenue flows to the Manitoba treasury. The society is also fully aware that in two consecutive provincial budgets, 1988 and 1989, the provincial government introduced taxation adjustments which sharply curtailed the flow of revenue to the Manitoba treasury.

The society believes it is the responsibility of any Manitoba government to maintain a taxation policy which is adequate to sustain necessary public sector services. Manitobans are prepared to contribute towards their province by means of a fair and equitable tax structure in return for quality services in health, education, child care services, family services, environmental protection and so on.

By its actions of 1988 and '89 to deplete the provincial treasury, the Manitoba government has placed the delivery of public sector services in jeopardy. The impact of the taxation policy enacted

by the provincial budgets of '88 and '89 is now appearing in the form of Bill 70.

The proposed legislation is not the appropriate way for government to solve economic problems. Freezing wages is a guaranteed way to create confrontation, low morale and low productivity. High volumes of energy are wasted in nonproductive work as workers fight the imposition and effects of wage freeze and the government attempts to enforce an unnecessary and unjust measure.

There is another way, a way to achieve higher productivity and higher quality work. Germany is a good example. Germany has one of the highest wage rates, one of the shortest working weeks, one of the highest quality work forces in the world. This achievement has come through teamwork, the team of government, business and labour all working together to creatively solve problems.

This government stepping in to impose a wage freeze destroys any chance of a co-operative effort for years to come in this province. Bill 70 is the wrong solution for Manitoba and is in no one's best interest. It leads to greater distrust and anger.

So, in conclusion, the society believes strongly in free collective bargaining and believes that it is a serious violation of the fundamental right of employees in Canada to bargain with their employers. We oppose any external interference in the bargaining process and therefore strongly oppose the passage of Bill 70, and urge the government to uphold free collective bargaining for all employees in the public sector.

Mr. Chairman: Thank you, Ms. Bradley. I believe there will be a couple of questions.

Mr. Manness: Thank you, Ms. Bradley, to you and the society for making the presentation you have on Bill 70. A couple of questions—firstly, you talk about the sunset clause as provided under Bill 70 and you would like to see a narrower sunset period of time. I will be bringing in an amendment which will give even greater definition to who may be impacted and over what period of time.

We have allowed ourselves to make regulations until the end of 1992, only so that under the powers of the act, indeed if there is any group, either designated or to be designated by Order-in-Council, that group will only come under the influence of this act for a period of 12 months. There will be no group that will go beyond that, and yet we require the

extension to the end of '92 to ensure that we have the right indeed to treat everybody fairly. Does that make any difference to you, that explanation?

Ms. Bradley: Well, in response, we have suggested that the sunset clause be the fiscal year. We see that the government should have sufficient time between now and the end of their fiscal year to make appropriate changes that are necessary to infuse and encourage that dollars be added to the provincial Treasury as a result of previous decisions that were made. We do not see that you need to go to December of 1992 with this piece of legislation, and that it would be in better faith if it was concluded at the end of the fiscal year of the government.

* (2020)

Mr. Manness: Flowing out of that answer, Mr. Chairman, I would then ask Ms. Bradley, given that I, for one, was surprised that the Manitoba Teachers' Society would call on me to increase taxation, is that the general view of your membership? Have you canvassed them and is that what they want this government to do, is to increase the tax levy?

Ms. Bradley: In response, we are not asking that you increase the tax level in this province. What we are asking is that you reflect back on the decisions that were made in the minority budgets of 1988 and '89 where there were very significant tax cuts. We are not suggesting that you increase, but we are saying that with the decisions that were made at that particular time that you have added greatly to the problem of the recession that is in the province now, and the very least we would see is a return of that taxation base which has resulted in the loss of the revenue dollars to this province.

Mr. Manness: Mr. Chairman, this is very important. I would remind Ms. Bradley that by far, of all the four budgets I brought down, the greatest significant reductions were the \$30 million as a result of not cascading on provincial sales tax on the federal sales tax. Secondly, a \$60 million reduction in personal income tax is reflected in a 54 percent dropped to 52 percent of basic federal, plus an increase in deductions for those who are receiving tax credits. That has been almost three-quarters to 80 percent of the total benefits that we have provided by way of tax relief. The individual has been the recipient of that, and the individual family. Is MTS then of the view that I should reinstate that and impose yet another \$100 million of taxes on individuals and families because that is where, by

far, 80 percent to 90 percent of the tax benefits that I provided in the last budget—is the MTS asking me to reinstate that?

Ms. Bradley: We are asking that you reflect on your fiscal policies which very clearly outlined a list of tax cuts that went to the corporate sector in this particular province. In the '88-89 budgets, there were very significant cuts that were direct tax relief for corporations and businesses in this province. That translates into a very significant number in real dollars in 1991 in terms of a loss in this province. To give you an example, the health and education tax, with the cuts that were made then, we now have 70 percent of the businesses in this province relieved of that tax and the government has not put anything in its place in order to make up for that lost revenue. That is equivalent to the mayor of this city turning the taps off the water supply to the city without deciding where the next source of the water supply is going to be.

Mr. Manness: Ms. Bradley, as the Minister of Finance, the value of offsetting the payroll tax had a value roughly of \$20 million over those moves. The offset to individuals and households over the budgetary moves I have announced over the last three budgets is \$90 million. Are you asking me to reinstate the \$90 million, the \$20 million or both?

Ms. Bradley: We are asking that you review the fiscal policy decisions and yes, we do recognize that the government does have the right to make those decisions. But, when the decisions are made and they result in a loss of revenue, and then as a result of that, the fallout we are seeing today, legislation such as Bill 70 comes in as a correcting measure, we have to come before you and ask you to rethink what it is you are doing because Bill 70 will not be a correcting measure and is not going to solve the problem.

Mr. Chairman: Thank you, Ms. Bradley. Any further questions?

Mr. George Hickey (Point Douglas): I find this presentation very interesting because as far as I understand teachers are excluded from Bill 70, and I am wondering from your presentation why the Manitoba Teachers' Society is bringing a presentation to Bill 70. What do your members feel about this?

* (2025)

Ms. Bradley: I think our position really is summarized and fairly clearly stated in the last

paragraph on page 4, which is the reason why we are here. The teachers in this province do bargain under free collective bargaining process. They do believe in that process and they oppose any interference with bargaining. Therefore, we are here showing support to other members who are having their bargaining process interfered with.

Mr. Hickes: I would just like to read you a brief campaign promise. It says: Any further significant changes to Manitoba labour laws or The Civil Service Act would only be undertaken after consultation with the public, business and labour. That was quoted from our Premier (Mr. Filmon). How would you describe this quote to Bill 70 that we are dealing with tonight?

Ms. Bradley: I am sorry, how would I describe what?

Mr. Hickes: That quote compared to Bill 70 that we are dealing with tonight.

Ms. Bradley: We view Bill 70 as being a clear violation of the right to bargain freely and we oppose any interference in bargaining.

Mr. Hickes: I would just like to ask you a little further about some of the questions that the minister was referring to. You mentioned that the government has depleted the treasury and taxation measures. I was just wondering, in your opinion or your assessment, or even on behalf of Manitoba teachers, in what ways could the government strengthen its revenues for Manitoba?

Ms. Bradley: In what ways could it strengthen its revenues?

Mr. Hickes: Yes.

Ms. Bradley: Well, in terms of the kinds of decisions that have been made since 1988, if you are going to make decisions that are going to cut the revenue dollars in this province, then I would think that it would only be incumbent for that same government to also come up with some kind of a proposal that is going to offset that and is going to infuse revenue dollars into the province. We have seen the cuts but we have not seen the proposals, the encouragement, the building to infuse dollars into the provincial coffers in this province.

Mr. Leonard Evans (Brandon East): I am sorry we are late. We were attending another committee meeting, which is now concluded. I am afraid I missed most of the presentation, although I do have

a copy of the written statement, and I hope I am not being redundant.

I would gather, Mr. Chairman, that the Manitoba Teachers' Society is concerned that if the government could move to freeze wages in a broad spectrum of the public sector as it has done, then it would be very easy, very simple, for the government to extend this to the teachers of Manitoba. Are you telling us this evening, and I would presume you are, but I want to hear it from you, that the Manitoba Teachers' Society is quite concerned not only with the principle of interfering with free collective bargaining which we treasure in a free society, but that it could indeed be levied on the hundreds and hundreds of teachers in this province.

Ms. Bradley: We are here because we are very concerned with this legislation as it is set out in Bill 70, that any government would bring in such a piece of legislation.

To further emphasize our concern, when we look at Sections 2(1) and 9(1), we have a great deal of concern for a piece of legislation, and especially when you look at Section 9(1) which is allowing the government a free hand to make any decisions at any time they choose, to make that in response to any kind of lobbying, any kind of concern that comes forward. To think that legislation is to be brought forward and dealt with on such an ad hoc basis is very, very disturbing indeed.

* (2030)

Mr. Leonard Evans: Would the delegate suggest that this piece of legislation was anti-democratic, not in the interests of the freedom that we appreciate in this province?

Ms. Bradley: We would probably agree with your words.

Mr. Chairman: Are there any further questions? If not, thank you very much, Ms. Bradley.

We will now move on to No. 3, Maggie Hadfield, C.W.C., Communications and Electrical Workers of Canada. Maggie Hadfield. Number 4, George Bergen. Have you got a written presentation, Mr. Bergen? Okay, just go ahead, Mr. Bergen.

Mr. George Bergen (Private Citizen): Thank you for giving me the opportunity to appear before you as a private citizen.

In my view, Bill 70 is malicious, vindictive and grossly unfair. It punishes innocent Manitobans who do not deserve to be punished. Even worse, I

believe, Bill 70 is one more initiative of a much larger scenario feverishly followed by the Brian Mulroneys, the Grant Devines and the Gary Filmons of this world.

Bill 70, along with the selling out of Canada to the U.S. corporations under the Free Trade Agreement, which Mr. Filmon still applauds, the massive sale and divestiture of public sector property in Canada, the vindictive and random ruralization of public employees are all massive attacks to destroy what has historically made Canada a different and unique nation in the new world.

These attacks on the public sector, I believe, are made by politicians who either (1) naively do not understand Canada's economic and political history and reason for being, or (2) do not really care whether Canada hangs together as a nation.

You see, I do not see this massive attack on the public sector in Canada as being separate and apart from our current economic and constitutional crisis. Canada's economy has always been a two-engine east-west system. Now, suddenly, we are to convert to a one-engine north-south continental economic system. The public sector is at stake here, as we have known the public sector for the last 125-some years. Given our current constitutional crisis, along with other economic issues at stake, this man-made crisis makes Canada's survival as a nation a toss-up.

My grandfather, under very difficult circumstances, came to Canada from Russia in 1974 to escape religious persecution, as well as arbitrary economic and social laws. As a young boy growing up in northern Saskatchewan, I can remember my father placing great value in the British justice system and the fairness between business and labour. In particular, he valued attempts by all political parties to balance the roles between business and labour. I can recall at many supper tables we would discuss and compare the brutal poverty-ridden business enterprises of South American countries with that of our British legacy which attempted to balance the laws that regulate the determination of wages.

(Mrs. Louise Dacquay, Acting Chairman, in the Chair)

Even today, at age 87, my father insists that the primary single thing that separates us from South America, Mexico, Mississippi, Alabama are our labour laws which attempt to thoroughly regulate

and balance business and labour interests in determining the value of work in Canada. This is why Bill 70 frightens me. With one stroke of a pen, it wipes out our labour laws that determine how wages are set. The collective bargaining arbitration process may not be perfect, but it is still by far the best process in the world for determining wages in a democratic country.

Ask yourself the question: How else should wages and benefits be arrived at? Should we follow the South American model, the Mexican model, the Russian model? What model should we follow? Should we follow Gary Filmon's model that just wipes out everything in one shot?

When I worked for the Hudson Bay Mining and Smelting Company and the Atomic Energy of Canada in Pinawa from 1953 to '73, I pretty much took collective bargaining for granted. I never dreamed that in 1991, a vindictive and mean-spirited Premier (Mr. Filmon) would come along and take us back 30 years in history.

The Manitoba government employs many, many different types of occupations, classifications and so on. One classification that I can think of is the journeyman automotive mechanic, fully qualified. The maximum pay for a journeyman automotive mechanic working for the Manitoba government—this is the maximum pay up to five years or thirty years—\$14.93.

I would like any one of you people here at this committee to name me one large employer in this province or in Canada that pays less than \$14.93 an hour, a large employer -(interjection)- I have the floor. I have the floor here. Agriculture is not an employer. I am talking large employers.

How many people here at this committee have visited Manitoba's health institutions over the past five years? I would like to know how many. In those institutions, you have approximately 380 psychiatric nursing assistants. They do most of the work in those hospitals with the patients. They get paid from \$9 an hour to \$11.50 an hour, something like that.

Their job is one of the most difficult jobs in this province. Go to those institutions and see. Go to Portage la Prairie and find out. It is one of the most damn difficult jobs in this province, to be a psychiatric nursing assistant. Believe me it is, and you are freezing their wages. Many of them have their own children, are single parents and have a

child to look after. They are paid below the poverty level wage.

Some three weeks ago, probably more than that, five or six weeks ago, the Minister of Finance (Mr. Manness) in what I thought was a desperate and dishonest way attempted to justify the public sector wage freeze. He stood up in the House and stated, in the minds of government employees, he stated, your wages have gone up 62 percent from 1982 to 1990.

* (2040)

(Mr. Chairman in the Chair)

Government employees thought that the minister told them their wages had increased by 62 percent. Of course in that time frame, the consumer price index went up approximately 42 percent. I think everyone was agreed to that. I have here some statistics that I want to hand out that cover wage increases, cost of living, gross domestic product and so on and so forth. Maybe I will make some comments on them, and you can ask me questions later on.

On the first page, Manitoba gross domestic product and market prices since 1984 increased 45.2 percent. You can check these figures afterwards. Manitoba government revenues, 1984 to 1990, increased 64 percent; Manitoba government expenditures, 1984 to 1990, 49 percent; Civil Service wage settlements, 1984 to 1990, 21.1 percent; Winnipeg consumer price index over the same period, 34 percent. Check them out.

On the next page, the deputy minister's salary from 1982 at the maximum to 1990 at the maximum, 69.1 percent; auto equipment mechanic at the maximum from 1982 to 1990, 36.3 percent. Go all the way down, labour assistant work supervisor, heavy duty mechanic, equipment operator, psychiatric nursing assistant, in the neighbourhood of 36 percent, 35 percent increase. In most government classifications, approximately 65 percent to 70 percent of the employees are at the maximum of their pay range and anybody who tells me that these people received 62 percent is lying. The consumer price index from 1982 to 1990, 42.7 percent—check them out.

The next table is just included in there for information because I tried to come up with where does the government come up with 62 percent? Where do they come up with it? The only place they can come up with the extra money is they hire a lot

of excluded people that are not covered by a bargaining unit whom nobody really keeps track of. They hire a lot more staff, numbers increase, and the Minister of Finance (Mr. Manness) is not talking about wage increases, he is talking about overall payroll. Nevertheless employees believe that he was talking about wage increases.

Mr. Chairman: Excuse me, sir, could I just ask you to speak into the mike a little bit more. Hansard will not pick you up all the way. It will make it a little difficult for them.

Mr. Bergen: Okay, sorry.

Mr. Chairman: Go ahead.

Mr. Bergen: Or there were massive numbers of reclassifications in the senior government bureaucracy, senior officers and a number of other classifications. That could have happened and I am not aware of that.

I am aware that in the senior categories in the Department of Justice, the minister, on average over the last two years, signs approximately two reclassifications or promotions a week. It is just a massive number of those that come through. It is virtually impossible to keep track of them.

I also know that the Civil Service Commission asked for an additional 400 exclusions, senior management level exclusions, at negotiations. That may be where some of these high numbers are coming from, but the average government employee did not receive anywhere near a 62 percent wage increase, let me tell you that.

In conclusion, I want to emphasize that Bill 70 is much more than just freezing public sector wages, unfairly as it is. It is part of and exacerbates the crisis we are facing in Canada and is attempting, in one full swoop, to go from a two-engine east-west economy to the one-system, north-south continental system which would be, and will be, dominated by the United States.

It is one more attack to knock out the public sector, to knock it to its knees, and to hell with Canada as we have known it with the public and private sector co-operating and sharing in its economy.

I am asking this committee to put aside political ideology. Look where Canada came from. We had a public sector and a private sector. We worked together for 125 years. We do not have to follow the Americans now. We can believe in the private sector. We can believe in the public sector at the

same time. We have always done it. We do not have to flip one way or the other, left or right. Be practical. Do not support these laws that discriminate against some and not others. I am asking you to put aside your party line, put aside your ideology and be practical about this thing. Thank you very much.

Mr. Chairman: Thank you, Mr. Bergen. I believe there are a number of questions.

Mr. Leonard Evans: I thank the delegate, Mr. Bergen, for his well thought-out—

Mr. Chairman: Mr. Evans, could I ask you to bring the mike up. We are not picking you up at all.

Mr. Leonard Evans: We are trying to do that. I thank Mr. Bergen for a very well thought-out presentation expressing his concerns with this very bad piece of legislation. I asked the previous delegate, but I would again ask Mr. Bergen, in so many words, this, sir, you would certainly classify as anti-democratic legislation, would you?

Mr. Bergen: Yes, I would.

Mr. Leonard Evans: Yes. In effect, Mr. Chairman, it seems like we like to talk about free enterprise in the private sector, but there is such a thing as having free collective bargaining as a parallel to the free enterprise system that a lot of people continue to talk about.

I wonder if Mr. Bergen can indicate whether he can see certain groups, particularly those that are badly hurt by this legislation, whether there would be some negative response in terms of labour unrest, work stoppages, work slowdowns or whatever that could be a result of this legislation.

Mr. Bergen: I see a buildup against the wage freeze. I have seen it over the last month. I think there will be a time when those people at the low end of the pay scale are going to do something.

I do not think that they will sit quietly and let this go over a period of a year. I think that we will see labour unrest over the next 12 months.

Mr. Leonard Evans: Mr. Chairman, is Mr. Bergen then saying that the fairly high efficient level that we now enjoy in the public sector in Manitoba, in the public service of Manitoba which I believe is probably second to none anywhere among the provincial governments and indeed federal government staff, that this, in effect, could lead to inefficiency through demoralization or whatever?

* (2050)

Mr. Bergen: In talking to many, many government employees over the last several months or even going back longer, the demoralization—well, the general apathy in the government services and demoralization, it is getting worse. I think it is already impacting on efficiency in some areas. It is very, very difficult to identify that, but I think it already is having an impact.

Mr. Leonard Evans: Mr. Bergen referred to psychiatric nurses as one category that was probably very badly hit by this in terms of having relatively low salaries already, but could he elaborate? What groups in the public sector does he believe are most vulnerable and would be most hurt by this legislation?

Mr. Bergen: The most vulnerable public sector employees work in the Departments of Highways and Natural Resources. Equipment mechanics, the highway equipment operators, fire rangers who work around the province, those classifications are very, very low paid, and they will be hit the hardest by this legislation.

Mr. Leonard Evans: I wonder if I could ask Mr. Bergen sort of a general question. It may be rather unfair, but the Minister of Finance (Mr. Manness) keeps on talking about the lack of revenue and he had no options and so on, but does Mr. Bergen have any suggestions for other courses of action that the government could have taken at this time?

Mr. Bergen: Well, it has already been suggested, for example, that the pretty massive tax cuts in 1988-89 and so on is one thing that maybe should have been looked at in a different light, should have been looked at perhaps in what the future might hold at that time.

I think also that the government should take a second look at the senior bureaucracy, to tell you the truth, where it is going in terms of wages and so on and so forth, and what is happening there.

Mr. Leonard Evans: There has been some talk in reference to a so-called sunset clause whereby the legislation would not continue beyond the one year, ending, say, December 1992, or perhaps a little later or whatever. Do you have any confidence in that type of approach?

Mr. Bergen: No, I do not. I think the legislation is so wide open that the government could make amendments to it, or they could do a lot of things through regulations and so on. I really do not have any confidence in this bill whatsoever in terms of

suggestions as to how it perhaps could be changed and so on and so forth. It should be thrown out.

Mr. Leonard Evans: The best course of action Mr. Bergen is telling us is that simply the bill should be withdrawn. It should be scrapped entirely.

We have talked about the rights of collective bargaining in a democracy. I have expressed concerns, but how do you see collective bargaining fitting in with Bill 70? What is it doing? You seem to have a lot of information on the history of collective bargaining and wage settlements in the province. How do you see Bill 70 fitting in with this pattern that we have developed of free collective bargaining in the province of Manitoba?

Mr. Bergen: I see it having a particularly negative effect in Manitoba and I will tell you why. Since 1984, when the previous administration negotiated wage settlements, they negotiated a certain level of job security, but there was a price for that job security at lower wage settlements. Our wage settlements were considerably lower than other provinces or the private sector from 1984 to 1990, considerably lower. Now with the suspension of collective bargaining, it is just an additional hammer blow to the whole impact of determining wages.

Mr. Leonard Evans: In effect, Mr. Chairman, the delegate is saying we are certainly turning the clock back.

Mr. Chairman: Order, please. Mr. Evans, I do not think it is necessary that you answer the question for the member each time that he has answered the question. We have heard the answer and I think if you just ask your questions and be relevant to what we are debating here, I think we will be a lot further ahead.

Mr. Leonard Evans: Mr. Chairman, I just want to put on the record what I understand the delegate to be telling this committee. I think I have the right to respond by explaining to the committee and to the delegate what I understand that person to say. If they do not think I have it right, then maybe they wish to repeat their answer.

Mr. Chairman: Order, please. Mr. Evans, I would like to remind you, this is a time to be asking questions of the presenter, and I believe that is what you are here to do, and ask for some points of clarification of what he has brought forward. I believe that is what I am asking you to do at this time.

Point of Order

Mr. Hickes: If we do not realize that we have our questions answered and if we paraphrase to get a clearer understanding, I do not think that is going beyond our rules.

Mr. Chairman: Mr. Hickes, I would like to clarify to you one point. I am clarifying that Mr. Evans was clearly relating back to the committee the response or trying to clarify for the member, and I believe we have the responsibility to listen.

I am listening myself and I do not need Mr. Evans telling me what I am hearing. I am asking him to ask for his points of clarification and that is it. If you want to challenge the Chair, Mr. Hickes, that is your opportunity.

Mr. Leonard Evans: Mr. Chairman, I think we are getting along very nicely, and I do not see why you have to be dictatorial about this because it is a matter of interpretation.

Mr. Chairman: Mr. Evans, if you will continue with your line of questioning, please.

Mr. Leonard Evans: Mr. Chairman, we have had one setback with democracy with this legislation, let alone the rulings of this Chair.

Mr. Chairman: Are you challenging the Chair, Mr. Evans?

Mr. Leonard Evans: Yes, we challenge the Chair.

Mr. Chairman: Thank you, Mr. Evans. Hold on one moment. The ruling of the Chair is that Mr. Evans will not be answering back for the presenters.

Mr. Evans, I think you and I are getting off to a bad start, so I think we are going to start again. If you are not understanding the answer, if you want to ask for relevancy on the way your question was asked, you go right ahead.

* * *

Mr. Leonard Evans: I knew we had a reasonable chairman. Mr. Chairman, I would like to ask Mr. Bergen about the question of bargaining with the MGEA, which is one of the largest unions affected by this.

In your opinion, do you believe that the government bargained in good faith or attempted to bargain in good faith with the MGEA over the wage settlements and over wages and other working conditions in this past year?

* (2100)

Mr. Bergen: I have worked for the MGEA 18 years now. This is the first time around that the government has not negotiated, period. There was no collective bargaining whatsoever. The Civil Service Commission never received a mandate from cabinet. Basically, there was no bargaining, period. That really is all I can say.

Some other speakers may elaborate more on this, but basically there was a zero and two position put forward at one point in time and we separated again. The Civil Service Commission came back to us again with roughly about the same thing. There were no negotiations this time around. It is the first time in 18 years that I have seen this happen.

Mr. Leonard Evans: Do you think there is concern in the labour movement that the lead shown by this government, this very dictatorial, authoritarian approach might be infectious and that other governmental jurisdictions such as municipalities might follow suit.

Mr. Bergen: I think that will tend to happen, yes. I cannot predict exactly how that will be done, but I think that the actions of the government will stiffen the backs between labour and management. There will be less co-operation all the way down the line, and it is going to impact negatively on labour and management relations in this province.

Mr. Leonard Evans: Okay, just another question relating to the statistics that Mr. Bergen has presented us, because he did refer to these. You elaborated on them, but it was rather quick and there is a lot to digest. What do these figures tell us? Do they tell us, or were you explaining to us, that in effect wages of the public sector in Manitoba have not kept pace with inflation in this province?

Mr. Bergen: No, they have not kept pace. In the last two lines there you can see the differential there on the right-hand side, 34 percent versus 21.2 percent. That is the differential over the last six years, seven years.

Mr. Leonard Evans: So, Mr. Chairman, if that is happening, what does this mean to the real wages of public servants in Manitoba, or their real incomes?

Mr. Bergen: They have gone down by about 12 percent, 13 percent, in terms of their purchasing power and so on in terms of what they can buy, and their standard of living has dropped. One point I would like to make here is that, like I said before, 65 percent to 70 percent of all government employees

are normally at the top of their pay range, so those others, the 35 percent, most of them would normally receive what they call a pay increment, 3.5 percent on average, but that is the extent of it.

Mr. Leonard Evans: Mr. Bergen, because you have done a lot of research and you have some idea of the current rate of inflation, do you have any estimates in mind as to the extent that real wages, that the real standard of living or the real income of the public sector affected by this legislation will be reduced in the next year? To what extent will it be reduced in the next year?

Mr. Bergen: Over a 12-month period approximately between 5 percent and 6 percent over any particular 12-month period that you want to look at, anywhere between 5 percent and 6 percent. I am thinking now of an average consumer price index, not the month over month. I am thinking just in general of the average consumer price index over a period of any 12 months. So that is the range, 5 percent to 6 percent.

Mr. Leonard Evans: Mr. Chairman, does Mr. Bergen mean that the real income level will be reduced by that amount, or are you referring to what your estimate of inflation would be in the next year?

Mr. Bergen: I am basing my estimate on inflation rate. As I understand your question, if an employee receives the consumer price index, then his/her wages will basically stay in line with real income. That is how I interpret your question.

Mr. Leonard Evans: So what this legislation does is reduce the standard of living of a large component of the work force of this province. In effect, what you are telling us—is this correct?—that this legislation in effect is substantially reducing the standard of living of tens of thousands of public servants in this province?

Mr. Bergen: Oh, yes. It certainly will reduce the standard of living of those employees that are affected by it.

Mr. Hickes: I just have one question here. You have done a lot of work researching the figures and numbers, and I would just like to thank you for that. I am just curious, you are presenting as a private citizen, and I was just following your research for numbers and category on page—well, you do not have it numbered—it is from provincial government employees 1981-1990, and it follows through where it shows regular employees, and then it shows the term employees. All of a sudden in 1988 they are

lumped into one. As a private citizen, what would your understanding be of this, if there is any, or how would you interpret this change?

Mr. Bergen: How I interpret the change is that the government is hiring a lot more term employees and it does not want to show them on the annual report. As a matter of fact, I requested that information from the Civil Service Commission and they refused to give it to me. They refused to give me a breakdown of regular employees versus term employees. I applied to the Ombudsman and it is now in the hands of the Ombudsman. The commission turned down my request. I appealed to the Ombudsman through the Access to Information, Freedom of Information, and that is where it sits right now. They will not provide information as to the number of terms employees that work in the Manitoba government service. They will not do that.

Mr. Chairman: No further questions? Thank you very much, Mr. Bergen. No. 5, Blair Hamilton. Mr. Hamilton, you have a written presentation?

Mr. Blair Hamilton (Canadian Union of Public Employees, Local 3551): Yes, I do.

Mr. Chairman: If you could present it to the clerk, she will distribute it, and if you will just give us one minute to receive it we will carry on after that. Go ahead, Mr. Hamilton.

Mr. Hamilton: Good evening. I represent Local 3551 of the Canadian Union of Public Employees. We welcome the opportunity to address this committee tonight in regard to Bill 70. Local 3551 represents 15 public sector workers at the Community Education & Development Association.

(Mrs. Rosemary Vodrey, Acting Chairman, in the Chair)

I would like to start by indicating that the Canadian Union of Public Employees, Manitoba Division has made a submission already which Local 3551 supports fully. We would like to offer some additional comments towards this legislation that is being proposed.

Although we are not yet included under Bill 70, our local wishes to register opposition to Bill 70 on a number of grounds: (a) this bill is anti-democratic, (b) this bill undermines a long-standing right to bargain collectively, (c) this bill violates fundamental principles of fairness and (d) this bill and its impact are being misrepresented to the public.

I would like to take a few moments to elaborate on each of these points.

(a) **Anti-democracy:** Bill 70 proposes to extend existing collective agreements for a period of time. Yet, within the text of the bill, it is clear that the government will not commit to which agreements to freeze or for how long. If the bill were passed in its present form any collective agreement not currently included could be affected simply by making a regulation pursuant to Section 9(1). A regulation may also further extend the agreement for a second year. As we all know, regulations are not needed to be debated or passed in the Legislature. For such fundamental issues as duration and inclusion to be determined by such a process is not democratic, but rather government by fiat.

While the government may claim that forming such regulations, passing Bill 70 and rolling back arbitration awards are within its legal right, it cannot suggest that it is within its mandate. This government did not express its plans to dismantle collective bargaining prior to the last election. To attempt to do so without giving the general electorate a voice in the matter is profoundly anti-democratic.

* (2110)

(b) **The right to collectively bargain:** The right to collectively bargain has been fought for by the labour movement for decades. In Study No. 22 of the Task Force on Labour Relations by Stuart Jamieson, 1968, the Winnipeg General Strike was described as "a concerted struggle by organized labour in Winnipeg to secure the basic rights of recognition and collective bargaining." That comes from page 182 of that work.

This same study states that as a result of the efforts of the National War Labour Board, a statutory instrument was passed in January of 1944. The statute included "... protection of workers' right to organize, certification of bargaining units and compulsory collective bargaining." That comes from page 294.

So we can see the right to collectively bargain in Canada has been law for 47 years. More recently, the postal worker and mail carrier strike of 1965 was responsible for bringing forward what Jamieson calls "path-breaking new legislation" that established the right to collective bargaining in the federal Civil Service, and that is page 423 of Jamieson.

For the present government of Manitoba to arbitrarily suspend these long-standing and hard-won rights is Draconian and ill-advised. It is the law of the land that collective bargaining be done in good faith. To circumvent that law is a violation of natural justice and long-established precedent.

(c) Fundamental unfairness: Bill 70 is unfair in a number of ways. Firstly, the extension of a collective agreement without the consent of both parties is not an agreement. It becomes both a contradiction in terms and a violation of basic tenets of the common law regarding contracts.

Bill 70 is also unfair in that it targets the lowest paid public sector workers, housekeeping aides, clerical workers, and others, many of whom are women and many of whom already live below the poverty line.

Bill 70 is unjust and unfair primarily because it suggests that public sector employees are somehow responsible for this recession. It suggests that public sector workers should do their share in economic recovery.

In matter of fact, workers are doing more than their share. MGEA has seen devastating layoffs affecting its members. Workers in this province all pay the regressive GST imposed by the Progressive Conservative Party. The vast majority of workers have not received increments equal to the cost of inflation. I would suggest to you that someone should ask Xerox to do their share. A few years back, they made \$96 million in profit, yet paid no corporate income tax. I would further suggest that the province of Manitoba could help out by doing its shopping in Manitoba instead of North Dakota. Mr. Filmon, who I believe is still a Tory, despite his last disassociation campaign, should look to his federal leader for an answer as to who is responsible for this recession. To scapegoat public sector workers for this recession is deeply unfair.

(d) Misrepresentation of the bill: The government is attempting to publicize Bill 70 as a wage freeze. The legislation, however, is much more far-reaching. The legislation proposes to freeze all contract language. This means that workers will not be able to negotiate job security, protection against sexual harassment, workplace health and safety issues, benefits, vacations, new job classifications or a host of nonmonetary issues. While the government suggests this bill is designed to hold

down wage costs, it is, in fact, an attack on the process of collective bargaining.

The general public is not being made aware of the wide discretionary powers contained in the regulations, nor is the general public necessarily aware of the bad faith bargaining this government has engaged in. These are misrepresentations by commission and omission. It is clear that despite Mr. Filmon's assurances, this government has little interest in reaching agreements founded on mutual bargaining and arbitration.

The largest misrepresentation regarding Bill 70 is that it is a measure designed to cure the deficit by dealing with public sector workers. It is being represented as a temporary solution to the problem of reduced revenues. However, we are aware that this attack on collective bargaining is more that simple knee-jerk offloading and reaction to federal policy.

Bill 70 is clearly a piece of legislation closely harmonized with the Free Trade Agreement which has cost Manitobans lost jobs already. Bill 70 is aimed at hospitals, personal care homes and affiliated social agencies, such as AFM and Child and Family Services. This is part of a long-term strategy to reduce services to the lowest common denominator, a campaign of Americanization. In the near future this may become a campaign to Latin Americanize our economy.

The free trade agenda is a corporate multinational agenda. The Filmon agenda is a Mulroney agenda. This favours international corporate interests over the interests of those who live and work in Manitoba. These corporate power brokers that set the Tory agenda are what Steinbeck referred to as the "great owners."

In closing, I would like to leave with some words from Mr. Steinbeck's work, *The Grapes of Wrath*:

The great owners with access to history, with eyes to read history and to know the great fact: when property accumulates in too few hands it is taken away. And that companion fact: when a majority of the people are hungry and cold they will take by force what they need. And the little screaming fact that sounds through all history: repression works only to strengthen and knit the repressed.

Thank you.

Mr. Leonard Evans: Madam Acting Chairperson, I thank the delegate, Mr. Hamilton, for a very well

thought-out and very well-presented brief, the contents of which I can readily agree with.

I would like to ask Mr. Hamilton—he represents a relatively small local, Local 3551 with 15 workers, I believe, at the Community Education & Development Association. I was just wondering if Mr. Hamilton could tell us, what is the function of your association?

Mr. Hamilton: Our organization works with the inner city community. Our job title is, for most of us, community school co-ordinator. We also have an economic development co-ordinator. We are responsible for going out and helping people access different forms of government assistance or nongovernment assistance in order to improve their lives or their situations. It is basically our job to talk to people.

Mr. Leonard Evans: As such, is this financed by the province or the city or whatever?

Mr. Hamilton: We are currently financed by Winnipeg School Division No. 1 and the United Way. The school division budget, obviously, has had some severe problems from the last provincial budget.

Mr. Leonard Evans: So what your local is doing is objecting to this bill on principle, not that it directly affects the organization, but it could. What you are concerned about is that it could be extended, through regulation, to affect you. Is that correct?

Mr. Hamilton: Yes, it certainly could affect us and, moreover, we are concerned just on the general principle that it is not fair and it is anti-democratic. I mean, those are principles that we at CEDA believe in strongly and those of us in Local 3551 believe in strongly. Whether or not it affects us directly is secondary to the unfairness of it.

Mr. Leonard Evans: Just to clarify then, Madam Acting Chairperson, is Mr. Hamilton saying that his reading of the legislation is such that regulations could be passed that would directly impact on your local?

Mr. Hamilton: My reading of the legislation is that those regulations could be passed to cover any worker in Manitoba under a collective agreement, private or public. So it certainly could apply to us.

Mr. Leonard Evans: So you have dealt with this in terms of principles. I would like to ask you then, in terms of the economic impact, what do you see the

economic impact on the province of Manitoba of this legislation?

Mr. Hamilton: Well, I think it is a small piece of a larger puzzle. We have seen an economy that is in a tailspin and what is needed is not only the infusion of dollars to make this economy go, but we need those dollars to be spent wisely. I think particularly of The Pines as an example where money is being misspent and misguided.

The subsidization of schools for the elite such as Ravenscourt and Balmoral Hall are not wise choices. The budget has to be thought out with jobs and long-term employment that is going to benefit working people and inner city people, and not necessarily just those who are well off.

Mr. Leonard Evans: So are you telling the committee that this squeeze on wages, in addition to all the other negative impacts that can come out of this legislation, that will come out of this legislation, that one problem we will be having is that wages effectively will be reduced in the provincial economy and could possibly have a negative effect on market demand? In other words, are you telling us that by reduction of wages or the freezing of wages, that the provincial economy is going to be hurt rather than helped?

Mr. Hamilton: People cannot spend money they do not have. It comes down to that. One of the things that we are trying to do with the inner city community is look at the principles of economic development, and you have to have money and recycle that money in order to develop a community. I think those principles would apply to a city or a province, and I think the goal would be to keep money in Manitoba rather than to let it leave. I think that is, in fact, we are doing.

Mr. Leonard Evans: Just for clarification then, have you any direct knowledge of unions whose contracts have been wiped out or will be wiped out by this legislation?

(Mr. Chairman in the Chair)

Mr. Hamilton: I personally do not know of any unions that will have a contract obliterated, but I do know that there are a number of awards that have been made that are going to be rolled back. I believe the engineers at Health Sciences are among those. I know the Crown attorneys are among those, as well, people who went through a process and received an award and now the rules have changed.

* (2120)

Mr. Leonard Evans: Mr. Chairman, in your brief, you said that there was misrepresentation of the bill, that the government was publicizing it as a wage freeze but it really went beyond that and involved itself in other areas of negotiation including job security, protection against sexual harassment, and workplace health and safety. In your mind, how important are these other issues, vis-a-vis the wage freeze, so-called or wage—

Mr. Hamilton: I think it is critical. In a number of bargaining units over the last number of years you have seen a movement towards nonmonetary issues and to negotiate those things. People realize that times are tough. They are not necessarily asking for wage increases that have happened in the past. I think the ability to affect where you work and how you work and protection from certain kinds of perils on the job are vital, and people are interested in securing those kind of benefits. There is a lot of room to negotiate on those things, things that would not add to the deficit.

Mr. Leonard Evans: Just in conclusion then, Mr. Chairman, basically Mr. Hamilton is telling us, or his advice, am I correct in this interpretation?—his advice to the government is withdraw a very bad piece of legislation and go back and try to bargain in good faith with the public sector unions.

Mr. Hamilton: I think clearly that there is no call for this legislation, and it serves no purpose other than to undermine labour relations in this province. Withdrawal is certainly the best course of action and, quickly, I would think.

Mr. Leonard Evans: So you would not be satisfied with a sunset clause amendment that has been referred to in the past.

Mr. Hamilton: The sun should never rise on this legislation.

Mr. Chairman: There are no further questions? Thank you very much, Mr. Hamilton.

Mr. Hamilton: Thanks very much.

Mr. Chairman: Number six, Clyde Huff. Have you got a written presentation, Mr. Huff?

Mr. Clyde Huff (Private Citizen): Yes, I do, Sir.

Mr. Chairman: If you could just supply it to the clerk so she could present it to the committee, and then just give us a minute until we receive it.

Go ahead, Mr. Huff.

Mr. Huff: Mr. Chairman, honourable committee members, first of all, I would like to say I represent no organization. I am here on my own accord, although I am a member of the IBEW.

I stand before you tonight as a taxpayer and as an employee of the Manitoba Telephone System. As a taxpayer, I understand the dilemma of the government. How do you reduce the burden on Manitoba taxpayers? This burden has been increasing at a rapid pace, and I applaud the government for recognizing it.

In agreeing with the objective, I disagree with the method of attaining it. I do not see how Bill 70 fits into this solution except to cause labour unrest in the province. Good government learns how to work with the work force it employs. It does not seek to destroy the morale of its employees or to cause distrust. You have and will accomplish that if you pass Bill 70.

As an employee of MTS, I do not understand how freezing MTS wages saves the government money. I was always led to believe that our revenue was generated by users, not taxpayers. The effect of Bill 70 on MTS can only prove negative for the company, its employees and the users.

I would like to expand on why I make this statement tonight. First, I see that with Bill 70 the government shows no confidence in the MTS board or its chief executive officer. It has virtually tied the hands of the company to attain a fair collective agreement.

We at MTS have prided ourselves on how we have had no major labour disagreements. This is achieved with both the unions and the company sitting down and working out a fair agreement for its employees. If the government would have stayed out of our affairs, it would have been reached again.

We at MTS know times are hard and in the past have taken minor pay increases. In the past three years, MTS has made \$90 million in profits. In making this amount, we only had increases of 3 percent, 3 percent, and 3.8 percent. How can you justify to your employees that you have worked hard for your company? The balance sheet shows this, but you will only get zero percent. Try working a little harder next year, and maybe if you are lucky, you may get 2 percent.

We at MTS are, as Quebec would say, distinct compared to other government associations. We have entered into the competitive markets. We

must now learn to survive in the business world. If we cannot, jobs will be lost. That is how business operates. I believe that the employees of MTS will survive and are ready for the competition. We have been expecting it and are educated to deal with the competition. Morale of the employees was at an all-time high. This morale took time to build because it was not long ago we at MTS had to deal with the MTX fiasco.

The employees' pride in MTS was low, its morale lower. When people asked you what MTS stood for, it was the Manitoba Teachers' Society. We now know where Saudi Arabia was, but Reg Bird and his vice-presidents began what seemed a large, insurmountable task. They gave back our pride and built our beliefs in what our objectives for the company should be. They made us believe that if you go out, do good work, you will build a strong company that no competition can destroy. Fairness was what we believed the company stood for. The government has another definition of fairness.

Good business cannot have the interference of political decisions. We cannot survive as a company with political decisions. Good business is giving the CEO more money if it will attract a higher calibre person. It also is good business to keep the morale of my company high. Archie McGill, a high calibre manager for AT & T said: "When a company goes into competition, its work force morale must be high or the battle is lost before it begins." I believe this, my fellow employees believe this and the government should believe this. If you cannot keep your political decisions out of our business, privatize MTS. That way you can have enough money to pay the public sector.

I leave you with a quote from Tom Stefanson, Chairman of MTS:

The shape of MTS future will be formed by its most important resource—its skilled and dedicated employees. For this reason, special efforts have been made to attract and retain qualified staff and to improve training. These are critical investments that will yield benefits far into the future.

I do not see zero percent as a special effort. Thank you for your time.

Mr. Chairman: Thank you, Mr. Huff. There will be some questions.

Mr. Manness: I thank Mr. Huff for his thoughtful presentation. I agree with the quote of the chairman in the last paragraph. Let me say that.

Mr. Chairman, I have to ask one question though. It comes as a result of the last paragraph, page one, when Mr. Huff says, and I quote: "If the government would have stayed out of our affairs, it would have been reached again." I think he is talking about a settlement.

Mr. Huff: A settlement, yes.

Mr. Manness: Mr. Chairman, I do not know if Mr. Huff was in the audience last night or not, but I have to ask how it is that the government which in essence is the trustee of the people of the province who own Manitoba Telephone System—the shareholders are the people of the province and we are the trustee—how is it that government which is the owner on one-half, in other words the people are the owner on one-half, and the people are responsible for funding those services of government which do not have a bottom line position to them, how it is that in the essence of fairness—and of course, a lot of people would say that this bill is not fair in the first place—but beyond that, given that the government, since it has no other option to bring this in, how could anybody be expected to treat Crown corporation employees differently than those who work for government, because, remember, those Crown corporations in essence are owned by government, i.e., the people of the province?

* (2130)

Mr. Huff: I am aware that a long-term debt—we owe a long-term debt to the Manitoba government, but I am also aware that we are paying interest on that debt. You say that we are owned by the people of Manitoba. Well, I can see that in some ways but how long can that last? Right now, everything is pointing toward privatization, although I am not going to get you to commit to that. Does that mean if the company is sold, let us say hypothetically, that each person in Manitoba will get a cheque for what is—

Mr. Manness: Mr. Chairman, I am not going to hypothesize on privatization, but you ask a very good question, not with respect to privatization, but will everybody get a cheque. Are you aware that every Manitoban has a debt? Do you realize that out of the new capital program brought in by the new CEO, Mr. Bird, agreed to by this government, an

\$800 million program, the large share of that, I think upwards of \$500 million to \$600 million we are borrowing, and either my signature or my deputy's signature is going on that borrowing.

When you talk about privatizing and giving everybody their share, right now everybody's share is indebtedness to the tune of around \$1,500 a person. That is why the government, not to muck around the affairs of the board room of Manitoba Telephone System, but in this very important issue is trying to provide fairness across all of the public sector, including in this case employees, since it had no alternative. Is that an argument you can accept in any part?

Mr. Huff: I can accept it. What you have said is all the truth, but are we also aware that our telecommunications property, building plant and equipment is worth \$1.6 billion? I think we are doing okay if it is worth 1.6 and we only owe, what did you say, \$700 million in debt? Is that where we are? If we sold it right now, we would be at an \$800-million surplus, correct?

Mr. Manness: Mr. Chairman, right now I believe the indebtedness is about 1.5. We are entering in the course over the next number of years of this new plant to a commitment of \$800 million.

The only point I am trying to make is that this is why the provincial government senses it has some responsibility in this case to influence—and I readily acknowledge the government did influence the management and the board room of Manitoba Telephone System. Thank you, Mr. Chairman.

Mr. Leonard Evans: I thank Mr. Huff for a thoughtful presentation. I have some specific questions of Mr. Huff. Perhaps I should know the answer but I would like to ask him, how many employees are affected by this at the Manitoba Telephone System?

Mr. Huff: As far as I know, we have between 5,500 and 5,700 employees, not including Oz Pedde.

Mr. Leonard Evans: Fifty-seven hundred, did you say?

Mr. Huff: Yes.

Mr. Leonard Evans: It is a substantial work force. Is it your opinion, your view, or is this your basic recommendation that the government withdraw this legislation, period, and go to the bargaining table and try to bargain in good faith? Is this what you are basically recommending?

Mr. Huff: I can only speak on behalf of the company, but from what I see, if the government wants to cause, like I said, labour unrest—it is bad government to cause labour unrest. As for the Manitoba Telephone System, we are affected even more because we have to go out now and compete, and it is good business not to have a bad morale.

It has been brought up in the last year in our company that our morale has to be at a peak, and competition has not even come. We have to wait until it really starts in the long distance, and to have this perception by the employees can only make it worse.

Mr. Leonard Evans: This leads me to my next question. Just to what extent has the morale been adversely affected by this piece of legislation? Can you elaborate on this? It has not been good, but just how bad has it been?

Mr. Huff: Well, it has been bad because I think that when you look at the balance sheet of MTS and you see that we made \$90 million profit in the last three years—we were not expecting a lot. I can say that we were expecting a fair settlement. That is all we wanted. We are not asking for anything more.

The people would have been happy with 3 percent, maybe 4 percent—I cannot speak for everybody, but from the people that I have talked to. I do know that morale has suffered, and it is almost as close to where it was with MTX, when MTX came up. That was low and I would not want to live through that again. It was hard for it to build, and I feel sorry for our upper management having to, if it does go that low, build it up again because basically we do not know who is running the ship. Is it the Manitoba government? Is it the chair? Is it the board of directors or is it our CEO? Does he always have to look over before he makes a decision and come to the Manitoba government? If that is the case, I see our business not lasting too long in the competitive market.

Mr. Leonard Evans: Are you telling us then that because of the lowering of morale that could result or will result from this legislation that MTS will be less efficient in the near future?

Mr. Huff: It is only human nature. If you can take any business book, they say in order for you to attain a good working unit, your morale has to be there. Your morale has to be high, and really right now I see it very low.

I do not know, I feel sorry for the employees. I feel sorry for myself. I feel sorry for everybody who is affected by Bill 70, something that we will have to live with if it passes, but I think the ripples of Bill 70 will last a longer time than, let us say, a year. No one will trust the government. How can you plan things when you know that the government might come in, cut it and say, no more? That is it, you cannot have any more wage. How do you negotiate in good faith?

Mr. Leonard Evans: You referred to competition. You referred to other telephone companies, I believe.

Could you tell the committee how the average wages, I guess I could use the term average wages, or the wage pattern of Manitoba Telephone System compares with some of the other leading telephone companies or organizations in the country?

Mr. Huff: I can say that I did talk to somebody at AGT today or yesterday, sorry, and they told me that since privatization, they did get 5 percent and 5.4 percent over the last two years. The people of Bell also have gotten increases. I do not have facts for you. All I can say is that I have never heard of any other telephone company—especially at this time, it is not good business sense for you to say zero percent, but that is the government's decision and if they want to do that, that is up to them. Maybe someone has stocks in Unitel, I do not know.

Mr. Leonard Evans: My question was not so much as to what increases were occurring in other utilities, but rather, how did the average wage level in MTS compare with the average wage level at some of the other telephone companies?

Mr. Huff: It is slightly lower. I have to say that we are doing all right. I cannot give you facts because I did not—like, to talk to a person over the phone, he is not going to tell you exactly how much. I would say we are in the bottom four, but do not quote me on that.

Mr. Leonard Evans: The one previous delegate referred to the nonwage aspects being affected by this legislation. In other words, this legislation, as I understand it, affects other matters such as workplace health and safety, harassment issues, et cetera, all these other issues.

To what extent are these nonmonetary items important at MTS? I am not sure where your union was coming from in bargaining and to what extent wage settlement was more important than the

nonwage items. I am just wondering to what extent are the nonwage items relevant and important in this year and therefore would be nullified by this legislation?

* (2140)

Mr. Huff: I think that nonwage benefits are always as beneficial. MTS has always been good about that. It was always assumed that we knew that we were going to get 3 percent over the past three years or close to it, so there was never any haggling over the wages.

I can honestly say that MTS has been a great company. I can truly say that. I am happy to work for MTS and I am proud to work for it, but if this continues, I am sure that—maybe ask me in two years if I am still proud to work for Manitoba Telephone System and it may be not as much. I cannot say what it is going to be like, but if this continues, obviously it can only get worse.

Mr. Leonard Evans: Thank you, Mr. Chairman.

Mr. Chairman: No further questions?

Mr. Kevin Lamoureux (Inkster): Mr. Huff, I do have just a couple of questions. I noticed when you responded to the number of employees, you had made mention of around 5,000, 5,500 or whatever the number was, and there was a kind of off-the-cuff remark that somewhat intrigued me when you said, excluding Mr. Oz Pedde.

I am wondering or I am curious as to what the morale is like with your fellow workers. Is that well-known? Are there a lot of unhappy people because they see this particular individual receive the type of increase that they are receiving this year, while at the same time the same government is telling the employees that they are getting zero percent? Is it something that is widely known among your coworkers? What impact do you feel that this has had on the morale?

Mr. Huff: Definitely, we are aware of the increase that Oz Pedde did get and that it was 15.4. I have not heard anyone really totally condemn it, saying that, you know, it is bad. Obviously, in order to attract high-calibre people—I am not sure if Oz Pedde is a high-calibre person; obviously, the people that went looking for him think he is—in order to attract a person, you have to increase the salaries.

I believe that most people in our company think that way and do not feel bad. I know when Reg Bird

came, his salary was also increased, and Reg was worth the money for what he did. I am only hoping that Oz Pedde will, and I am sure a lot of our employees do, but again saying that in order to keep good people, you pay good salaries, and that it also pertains to the work force out there.

Mr. Lamoureux: Again to Mr. Huff, you know, when the government enters into the next contract agreement or negotiations, I should say, with the MGEA, they are going to have to sit across the table from that particular union. When Manitoba Telephone System goes to the union, they are going to have to sit down and negotiate in good faith. There is a lot of concern from MGEA and people that I have talked to who are from the Civil Service union who have completely lost confidence in the government's ability to be able to negotiate in good faith.

In your opinion, do you feel that there is a lack of confidence at all within your own board, the MTS board, or do you feel confident that, in fact, they would have been able to negotiate? How do you feel that this will impact future negotiations with MTS?

Mr. Huff: I believe that we are confident in Mr. Stefanson and his board. I have to say that, obviously for—but what you are saying is that obviously, the future for negotiations, it is going to be hard for anyone to trust anyone. Who is making the decisions? What you were saying about the question, would the board have been able to achieve a good fair settlement, one that I think that the people of Manitoba could have lived with? Yes.

I have all the confidence in the board. They have done it for so long, I do not see why they would not—and it is getting better. The board is getting more qualified people on it and yes, I think that we could have achieved a settlement that would have made us a happy work force, and our morale would have stayed high. That is all I can say. There is not much else.

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

I will now deal with No. 7, Mr. John Doyle. Mr. Doyle will be here tomorrow morning. Number 8, Rob Hillard. Number 9, Harry Mesman. Harry Mesman, do you have a presentation for the committee?

Mr. Harry Mesman (Private Citizen): Not a written one, no.

Mr. Chairman: Okay, go ahead then, Mr. Mesman.

Mr. Mesman: Mr. Chairperson, members of the committee, I thank you for this opportunity. I am presenting here tonight as a private citizen, but I am also the health and safety representative for the Manitoba Federation of Labour, and in that capacity, on June 8, a Friday, I received late in the day Bill 59, not Bill 70, Bill 59—the workers compensation act bill.

I was leaving for a conference the next day in Ann Arbor for five days and studied that bill to some extent, as much as I could while I was at that conference, and not since 1914 has there been this much revision in workers compensation. I came back on the 12th of June fully expecting this to be the agenda for this session of the Legislature and the primary item for all our affiliates to be dealing with and for the members of our office to be dealing with.

When I got home that evening, 10:30 at night, my spouse filled me in. Not surprisingly, in Ann Arbor, Michigan, they do not report on Filmon's follies, and when I got back, I had to get filled in by my spouse. My chin just progressively started dropping more and more as she told me about this Bill 70 that had come in, the freeze that it entails and the attack on collective bargaining that it involves.

My reaction, I am sure none of you certainly are surprised to hear, was extremely negative, partially for a selfish reason because I saw, my God, a bill like this is going to obscure what I think is the most important bill in the field that I am involved with, that has been since the beginning of workers compensation, and a much deeper and more serious concern, a less selfish concern, if you like, just the bill itself.

I could not comprehend what the thinking of this government could be. What are these people thinking? This bill threatens the collective bargaining process in Manitoba. It is an assault on the men and women who deliver public services. It unfairly puts the blame on workers' wages as the cause of this government's fiscal problems. In fact, the wage increases, as we know, have lagged behind inflation for many years. Workers should not, cannot be held responsible for the effect of unfair tax policies and tax holidays for big business.

Not only is Bill 70 a threat to every worker in Manitoba, it is an unacceptable message to the employers also, that this government has nothing

but contempt for peaceful labour relations and the collective bargaining process.

Section 9(1)(d) of this bill states that the Lieutenant Governor in Council may make regulations extending the application of all or any part of this act to any collective agreement on any terms that the Lieutenant Governor in Council considers appropriate.

This extremely sweeping power would enable the government to freeze the terms and conditions of any collective agreement should the government so choose to do. Again, as a long-time trade unionist, this just strikes to the core of our being and has every single worker that has been paying any attention at all extremely upset, as by now, assumedly, all of you should know.

* (2150)

Any legislation that deprives workers of their right to collective bargaining deserves to be fought strictly for that reason alone, but Bill 70 is a bad bill for a number of other reasons as well. It is aimed at the lowest paid public workers, not the most highly paid. It excludes, for example, judges and government-paid doctors. It makes public sector workers the scapegoat for the government's own economic mismanagement. It freezes only public employees' pay while allowing prices and unfair tax practices to continue. It suspends only workers' contracts while allowing all government contracts with business firms to continue to their expiry date. It ignores the fact that the incomes of most public employees have fallen behind the rate of inflation by 10 percent or more over the past decade. It will deprive workers of many millions of dollars of income that otherwise would have been injected into the economy benefiting many financially troubled small businesses, and it will prolong or deepen the recession, not help to end it.

It has an effect also, as the previous speaker pointed out, on the morale certainly of the public sector workers, but on the morale of all workers who are wondering what in the world can they expect next from this government? What sort of bludgeon are they going to take out to batter them with next.

That morale, obviously in ways not easily measurable, has to have a negative effect on productivity and therefore a negative effect on this economy, not a positive effect. Clearly, Bill 70 is unfair. It is an unjustified bill and it is an anti-worker bill. It wipes out the fundamental rights of some

approximately 50,000 working men and women, and is perceived by us as a severe threat to every worker in this province.

I would suggest to this government, regardless of how they may feel in some way that this is a worthwhile action to take, that at the very least they be politically smart, because I am telling you that more and more workers and more and more citizens of this province are coming to the conclusion—as one of the signs of the rally that was held here said—that the thing to do is to abolish Tories, not collective bargaining. I would suggest you withdraw Bill 70. Thank you.

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

Mr. Manness: Mr. Chairman, I would ask the witness whether or not he is aware that the government is providing a 3 percent to 4 percent increase to roughly 40 percent of MGEA membership as a result of merit increase, a total value which is to \$8 or \$9 million that the government had to provide, set aside in the pay increase envelope in spite of the fact that there was no increase in revenue this year to the province? So I would ask the delegate whether or not he is aware of that fact.

Mr. Mesman: I am aware of that but I am also aware that that does nothing in terms of this bill. This bill still exists despite that fact. If the government has a case to make for zero percent—I was going to call that an increase, obviously it is not an increase—make it at the bargaining table. Do not make it by way of legislation. Yes, I am aware of that.

Mr. Leonard Evans: Mr. Chairman, I thank Mr. Mesman for his well thought-out remarks. I would like to ask Mr. Mesman, considering his knowledge and background in the labour movement and labour relations in the province, were you telling us or did you refer to the fact that this may be the first time that legislation such as this, abolishing collective bargaining for thousands of workers, has been brought in, in the province of Manitoba?

Mr. Mesman: I appreciate your comments, but I am far from an historian on labour in Manitoba. However, yes, I have been involved in the movement for some time, and to my knowledge it is the first time that anything this Draconian has been put forth by any government of any stripe in this province.

Mr. Leonard Evans: Yes, this is my impression. Even in the Lyon years, we did not get anything as Draconian as this.

Mr. Chairman, I would ask Mr. Mesman: is he basically telling us that this legislation should be withdrawn forthwith?

Mr. Mesman: That is the bottom line, absolutely.

Mr. Leonard Evans: There has been some suggestion about sunset clauses? Do you have any comment on that?

Mr. Mesman: The best comment was the retort of the previous speaker that the sun should never rise on this bill.

Mr. Leonard Evans: In your judgment, do you think that this legislation will lead to labour unrest—I use that in a very broad sense and I know it means a lot of things—but from your knowledge and understanding of labour and the labour movement in this province?

Mr. Mesman: Again, that relates to the morale problem that was referred to by the previous speaker also. When you create that sort of resentment and antagonism on behalf of workers, and disgruntlement, if you like, I do not see how that cannot help but lead to labour problems. They are certainly going to feel even more hard done by in the future and be very insistent at the bargaining table to make up for the kind of losses that they perceive to have suffered as a result of this bill.

So, yes, I would suggest that it certainly is not going to do anything positive for labour relations.

Mr. Leonard Evans: Could you elaborate further on the fact that some workers in particular may be very adversely affected by this, that there are groups in the public sector that are relatively low paid workers and would particularly be hurt in terms of continuing inflation, and, therefore, cutbacks in their real wages or their real incomes?

Mr. Mesman: I am sorry. You are asking me to elaborate on the fact that a lot of low level income workers are being hit by this in particular?

Mr. Leonard Evans: Yes, Mr. Chairman, I would ask Mr. Mesman, of the thousands of workers being affected, could he elaborate on which categories do we find the lowest paid workers, and who in particular would be badly hurt by this legislation?

Mr. Mesman: It is my understanding that many of the hospital workers are among those lower paid ones. I would not, not coming from the public sector

and again having devoted almost all of my time and energy to the extensive bill that I referred to earlier, I would not be able to detail all the groups of workers. It is my understanding, and I have heard no dispute of the fact, that a large number of the workers who are hit by this are the lower paid workers, the ones that can least afford to be locked in this way.

Mr. Leonard Evans: Just for clarification, Mr. Mesman is saying that his group, his union is not affected by this legislation directly?

Mr. Mesman: I am with the federation again, so many of our members are affected by this legislation. I would certainly suggest in terms of the message that is being sent out by this bill that every worker in this province is affected by this legislation. They now know that what they may negotiate tomorrow, Section 9(1)(d) will permit this government to decide, I am sorry that is just too rich for this province, that is not a proper agreement to come to and we are going to come down and roll that back or declare it null and void. It is unclear.

It is very clear that the bill gives the government that ability. It is unclear as to how they might and against whom they might use it, but clearly every worker is feeling extremely vulnerable in this province right now.

Mr. Manness: Mr. Chairman, I just have to ask Mr. Mesman—and I accept the criticism on behalf of the government—he, of course, dwells on the principle of the bill and he said he would be critical of others. I would ask whether he would be as critical of a government that did not bring in a bill to impose a wage freeze on the public sector.

I am thinking particularly of the date, January 14, 1975, when the Schreyer government, in Order-in-Council, not by way of bill but within the confines of the executive council chamber, application of the anti-inflation act and the guidelines established thereunder to the provincial public sector—and Mr. Mesman, sometimes politicians tend to be holier than thou. In attendance that day, January 14, 1975, in the confines of the executive chamber was one Mr. Schreyer, Mr. Paulley, Mr. Green, Mr. Miller and Mr. Evans. So I would ask Mr. Mesman would he be as critical of Mr. Evans as he is indeed of myself as the representative and the host of the bill, under those conditions in the past?

Mr. Mesman: Not knowing all the circumstances pertaining to that particular action, I have some

problem answering that question, but in a way, I have no problem at all. If we are talking about a wage freeze arbitrarily imposed upon workers by governments, yes, I would be equally critical regardless of the stripe of the politician.

* (2200)

Mr. Lamoureux: Mr. Mesman, I just had one question. I, too, like you, wish that the primary bill you would have been here for was in fact Bill 59, because it does merit, and I trust that in fact you will be making presentation on that particular bill—and we did not have Bill 70 taking up so much of your time. My question is to you, and it is primarily because of what the Minister of Finance (Mr. Manness) says—like you, we oppose the wage freeze. We oppose the manner in which the government is doing it. I am curious, because of your involvement within the union movement, what would offend you more so, the lesser of the two evils if you will, the fact that it is the free bargaining process that has been slighted here or the wage freeze?

Mr. Mesman: If I have to pick one, I mean, if you are going to bake a pie and its ingredients are crap and garbage, pardon me, you are not too much better off by removing one of those ingredients. I still would not want to eat of the thing, but given a choice, it is definitely the attack on the collective bargaining process that offends the most.

Mr. Lamoureux: Mr. Mesman, I do not know what your previous involvement was in the capacity as a negotiator, if you have been a negotiator before in the past, but how do you feel that would affect future negotiations for MGEA, for example, with the government on future contracts?

Mr. Mesman: Well, the effect has to be—hopefully, they will be negotiating with a different government but if not, the effect has to be negative. Clearly, in order for bargaining to really be successful, in order for win-win situations to take place, there has to be trust. When this sort of weapon is hauled out, I think that trust is knocked off the table, and there is going to be an undercurrent of acrimony to those negotiations, I would assume. Again, I certainly have not negotiated on behalf of the MGEA and I do not want to prejudge their conduct or their thinking, but I think they are going to have an awful hard time trusting the people they are sitting across the table from after the introduction of Bill 70.

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

We will now move on to No. 10, Charles Kereliuk. Number 11, Robert Olien. Bob, you have a written presentation, do you not?

Mr. Robert Olien (Private Citizen): No, I do not.

Mr. Chairman: Then just carry on.

Mr. Olien: If I was to write out a presentation, I think I would still be writing it, quite frankly.

My name is Bob Olien. I am with the MGEA, in case some people may be surprised by that. It reminds me of a funny story. I was playing baseball with a team out in the country the other day. It was made up of a lot of country people, and most people out in the country are pretty damn good baseball players. It turned out this particular day we were kicking their ass, hitting home runs, getting on base, doing everything right. They could not score a run. Umpire Clayton Manness says, no, you are wrong. I just ruled the game ineligible. You ran to first. You should have run to third. Just a little humour, I hope.

I hold the position of director of negotiating services for the MGEA, and I have held that position since about 1979. Part of my responsibility is to negotiate what is known as our master collective agreement. Part of the negotiations I have been involved in since 1975 have involved a number of components. One of them that I have negotiated since 1975 is the trades, operations and services component. Some of the members, their classifications that Mr. George Bergen alluded to, are within that component: fire rangers, park attendants, auto equipment mechanics and the like.

Since '75, the first year that the association and the government negotiated under a master component agreement system, I am proud to say that all agreements were negotiated, ratified, signed and were honoured by both the association and the government. During this period, all these years since 1975, both the association and the government had the right to utilize binding arbitration under the provisions of The Civil Service Act. That provision had existed prior to my joining the MGEA in 1974. It has existed for many years. Both parties recognize the desirability of bargaining in good faith and making every reasonable effort to negotiate a collective agreement.

That is basically enshrined in The Labour Relations Act and in most jurisdictions in Canada, the desirability of bargaining in good faith and

making every reasonable effort to negotiate a collective agreement.

We have negotiated since 1975 under both the NDP and Progressive Conservative governments. Both in the past have been good, hard fought, tough negotiations with give and take on both sides and most importantly, a strong element of integrity, trust and respect. It played a major role in negotiating. Why in 1991 has the government, and I stress this particular government, been unable to negotiate a collective agreement with its employees? Why has this particular government decided to impose the heavy hand of the state upon its citizens, this regressive, backward piece of legislation entitled Bill 70, The Public Sector Compensation Management Act.

I believe the answer is quite simple. No sane thinking person, quite frankly, believes this government nor trusts this government nor respects this government. I know that I, for one, certainly have no belief, no respect and no trust in this government.

When I grew up in this province—I was born in 1940 so you can have some idea that I am not as young as I look—I was taught, and I learned this from a farmer, by the way, out in Anola, Manitoba, that you earned trust and you earned respect. I am saddened to say that the conduct of this government since its election in 1988 has quite frankly, been one of arrogance, vindictiveness, and total uncaring for the ordinary citizens of this province. It really is not surprising then, that when a group such as this government cannot get its way, it resorts to changing the rules.

I find it amusing that the Premier (Mr. Filmon) of this province and the Minister of Natural Resources (Mr. Enns) bemoan the fact that their federal cousin the Prime Minister has not lived up to his word to provide millions of dollars in assistance to the province when Manitoba incurred large expenditures in fighting forest fires. You hear that on the news. We were promised. These two gentlemen are upset, and, rightly so, because they were promised aid from the Prime Minister. I imagine they too believe that if someone made a promise, it would be kept. I share that belief as well.

We in the MGEA are also led to believe that negotiations would take their normal course, that the government would allow free collective bargaining to take place, that it would not interfere. Well,

Neville Chamberlain—remember Prime Minister Neville Chamberlain?—move over. The piece of paper with Adolf Hitler's signature on it had as much value as the word of this present government.

Bill 70 is, in fact, an admission of abject failure on the part of this government to negotiate a collective agreement. I believe that it is because this government either has no respect for labour relations or is entirely ignorant of the collective bargaining process. Perhaps both apply here. At least under the Tory government of Sterling Lyon there was a Minister of Labour—his name was Ken MacMaster—who knew labour relations. Sadly to say, working men in this province today do not have the benefit of that labour relations experience. Ironically, one of the few things I agreed with the Right Honourable Premier at the time was he was opposed to gun control and so am I. So maybe on that point, we may have some agreement.

So what do we have? We have a government that does what it wants, to whom it wants, whenever it wants and then calls it democracy. A government that said, we have to move services and jobs out to rural Manitoba, decentralize, get out of the city and then we will even take this committee out of the city of Winnipeg to hear from citizens who reside out of the city of Winnipeg. A government that lays off conservation officers and then cries they do not have enough of them. A government where the Premier (Mr. Filmon) appears in an ad for Manitoba Hydro saying that the money, selling the bonds, stays in Manitoba to benefit Manitobans—very true—and then sends mail through the United States, purchases bags for the Liquor Commission in the United States and then sells Manitoba Data Services to a company owned by an individual from Macao, just outside of Hong Kong, Mr. Stanley Ho, a multibillionaire.

A government that talks about employment, jobs, helping rural Manitoba and then lays off its employees throughout rural Manitoba by doing away with beach patrols, park attendants, engineering aides, by contracting out the work from companies outside the province, such as in Alberta, to paint our highways, as a few examples. Another, to sell the Manitoba Semen Centre to Western Breeders Services based in Balzac, Alberta, to reward its friends, I imagine. The Semen Centre did not have a monopoly business. It was in competition. No one had to purchase anything from the Semen Centre run by the Department of

Agriculture, but people in this province did buy from this government operation and I guess the private sector did not like that. Free competition is fine to them only when they can control it, dominate it and eliminate the competition.

* (2210)

A government that says no money for wage increases for its employees, and yet money appears to be no problem whenever the government wants to assist the farmers in this province, and some of them sure as hell need it; the developers in this province, notably the Rotary Pines project to name one; the consultants in this province who seem to get jobs without competition and certain businesses such as Portage la Prairie Vicon. That could have been a payoff, I guess, for losing a cabinet seat. I do not know.

The government made a determination to control bargaining. It was not an accident to freeze increases that could be achieved in other places, in other bargaining agents such as at Manitoba Hydro, Manitoba Telephone System, the Manitoba Public Insurance Corporation, hospitals, the Lotteries Foundation, to name but a few. The Lotteries Foundation, I think, is a real good example of the casino workers who generate revenue. You talk to a dealer who in the span of one half hour can take off a customer, who wants to spend their money, \$80,000 and makes 10 bucks an hour and brings in \$80,000—you name anybody in the private sector who is honestly bringing in that kind of money—and they get 10 bucks an hour and no wage increase.

The government did not get its bullying way with some arbitrators involving the dying days of the existence of final offer selection, even though it was successful in two cases, one, obviously being the professional engineers employed by the Province of Manitoba. The selector in that case took the employer's position of no increase at all, nothing, no change to the collective agreement. We had an arbitrator who awarded the casino workers a 5 percent wage increase, a princely sum of 5 percent. To some people that is 35 cents an hour. You cannot even buy a cup of coffee for that. The same arbitrator, in a most recent decision, took the employer's—which in this case is through the Liquor Commission but really the government—offer of a zero, no increase.

So it is kind of interesting that the same arbitrator who awarded five to one group decided on the

merits of that particular case, no increase. Well, we have to live with that decision because we went to final offer selection. You play the game, you win, you lose. That may cause problems down the road, but so be it. So I think that there are some arguments that because you cannot convince some arbitrators to necessarily agree with the presentations given to some arbitrators that they were suddenly going to buy government edicts.

Proposing amendments to this bill is not my objective, because the only thing that this bill deserves is the shredder along with its author and its ill-advised supporters. I keep hoping that there possibly are some Tory members of the Legislature—and I believe there are, they are hard to find I guess—who have some integrity and some sense of really what is fair, because that really is what the issue is at hand, fairness, who will not support this legislation because of what it stands for. After all, voting against this attack on the citizens of this province would not be the wrong thing to do. Actually, the reverse is true in this case. I urge any MLA who believes in fairness, honesty and integrity to do what Elijah Harper had the courage to do, to stand up and be counted, and I urge you not to support this bill.

Throughout some of the discussions I have heard, there has been some talk about the MGEA and its bargaining. As I indicated, I have been bargaining since 1975 with various governments, and bargaining generally has been tough. There has always been some kind of a feeling that if you bargain with the NDP you walk away with a bag full of money. Well, that is total BS. Two of the best settlements we got were under Sterling Lyon.

I find it ironic that when served notice to commence bargaining and we entered into the negotiation, we started bargaining in about June of 1990. I think we anticipated that things were not exactly going to be rosy, per se—fair enough. They normally are not, but we began to commence collective bargaining. We served our proposals. We started on June 22, had some administrative things to discuss, met again on July 18, continuing to reviewing our proposals that we had made, and the assembly of the third session on the 20th of July, fourth session we agreed to subcommittee some issues off, such as vision care, a proposal for that and some issues. This was sort of normal bargaining at the time, nothing unusual at the

moment, and we were wondering when—we also tried to discuss what issue we found interesting.

One of the issues we had is, you know, the matter of parking has been a subject of an arbitration case and some paybacks to employees, and that still is continuing, but we wanted to discuss the issue of parking, at least to start and try and look at it in a reasonable logical way, which was never the case in the past. Anyway, the government refused to negotiate parking. We were quite shocked by that because in dealing with this particular government negotiator, that we have dealt with since 1976, we were quite taken back by the fact that the government negotiator said he was not authorized to discuss the matter with us. Some of our members on the bargaining committee have been part of committees for many years did find it hard to believe that this particular negotiator for the first time in their memory and our memory could find that somebody would refuse to discuss it. The situation at that time was not normal.

On or about August 7, 1990, the government announced there would be a provincial election to be held on Tuesday, September 11, 1990. We know what happened then. By a letter dated September 4, 1990, I wrote to the chief negotiator for the government. I still had not received any government proposals and was also inquiring about the position of the government in regard to the issue of parking. These are not private meetings. These are not one on ones and off-the-record meetings I am referring to.

By letter September 13, the government's chief negotiator stated it would be tendering proposals with regard to parking. I will respond once I get further direction. On Thursday, September 30, 1990, we were told that the government negotiator had full authority to discuss every issue.

On September 21, which was the expiry date of our collective agreement, still at this moment, we finally got the government's proposals hand delivered to us. Now we started meeting, and partly, on the government's proposals, and we had about five to six meetings on government proposals alone. We only had approximately 14, what you would call, bargaining sessions. Not a lot for a major collective agreement, but it is interesting we hear about the MGEA's proposals. Well, here is the government's.

I do not know, I have not totalled them up, but if you take over 300 exclusions and add up everything in here, we are well over 400 proposals made by the government, some of them for major rollbacks of the collective agreement. Now it is very tough to get people to accept zeroes, it is also very tough to get them to accept zeroes, plus rollback benefits they have enjoyed prior to 1974, such as the right if they work overtime to see if they got the pay or the time off, the right to roll back sick leave the employer wanted, to cut into the Workers Compensation issues. All at the same time they are saying, help us out, let us share the burden. It was not washing very well with our committees.

So bargaining was really going nowhere. Then, of course, we find on December 14, we have the very famous release by the minister Clayton Manness to the honourable minister re the average 3 percent increase, this pay envelope, and the reference that some will get more—nurses—others will get less and some will have to accept no increase. I find it interesting that they established the wage envelope by themselves, determined that there was some money for pay increases and unilaterally decide who would get it irrespective of what anybody would think, if there was any justification in any other sector of their employees that would be warranting an increase.

We did not meet again until December 20, and we tried to speed up bargaining, reduced the number of our proposals off the table. The government reduced none, and we started to ask the government, are we one of the groups to get a zero? We could not get an answer, not prepared to answer that. What is the fixed pool of funds? No answer. I do not have it anyway. Are you aware of any planned layoffs of civil servants? I do not make those decisions. Are you aware of, or of all the personnel people you have with you here, can they not tell us anything about a layoff? Silence was the response. Eleven people from the government—could not get a peep out of them.

Well, the response, the budget process is going on, I do not know where it is at. Is the Civil Service one of the groups that is set for a zero? I do not have any instructions. Is the government's mandate still no unemployment security? I have received no new instructions on unemployment security. We started with job proposals, government caucus, they say we are not taking it off the table, we have got too many issues. Bearing in

mind that Christmas is around the corner, we adjourned about four in the afternoon, atmosphere very, very, very, very poisoned.

* (2220)

Then finally on the 17th of January, 1991, at a board meeting—we were meeting out at Hecla Island. It is supporting a government hotel, and we also support it because we have members there. Even though it costs us more, we do not mind. We get a call from the chief negotiator for the government. We have to meet tomorrow. You have to get your master committee meeting in tomorrow. I said, we have got our board meeting on, our master committee is part of the board, cannot wait until Saturday. We will travel in and be there. No, it has got to be tomorrow. I said, well, I take it you are not calling on something of minor importance. No, I am not. We agreed to meet the next morning. We abandoned our board meeting, cancelled it at that stage, headed in to Winnipeg and got our committees together for the morning.

In the morning, the government negotiator came in at 10:10 in the morning, started off and he went into the whole route, and then we got the famous zero-two. We got into this very, I love this two percent formula, the revenue-sharing process, where you take 2 percent and you can split it in half, but you have to be over two, split it in half and divide it up, but nothing on your wages.

So, really, we had a formula that provided nothing because the governments own predictions, they were not expecting any growth in revenue. So, really, quite frankly, there were no negotiations, and the same day—here is what we like about this bargaining—the press release or the announcement is made to the public of Manitoba about the government's offer to the MGEA, a once again bargaining in the press.

So, what have we had over the years? Decentralization snuck up on you in the press. Other issues such as that. Layoffs in the press. I have never negotiated that bad, or had that experience in all my years. I have always prided myself that when I got a deal with a person across the table from me that I can trust him.

Unfortunately the experience that we are seeing across this country, and it is unfortunate it has immigrated to Manitoba, is you see in Nova Scotia where the Nova Scotia government employees union execute an agreement with their government

to still the present government for a three-year contract providing for increases for three years. They sign it in good faith, and they go away and do their other work. The government gets on with its business, find that the government introduces Bill 160 which passed today. They do not have committees, so I thank God for Manitoba. At least we go through that process.

They rolled back an agreement, so how do you have faith to say that when I put my name on a document, gentlemen, my word is my bond? My signature means something. I, frankly, would not trust an agreement signed by this government if every single cabinet minister's name was on it.

Because of the experience we are seeing across the country, this is no accident. It is unfortunate because I think, while if you are after to control the Civil Service wages, yes, I guess there are other ways to do it. I guess you could take the hardball approach and say we do not trust arbitrators, no arbitrator can award you an increase. You do not affect people who work at casinos, who are trying out there, who do not make big money. You do not affect people working at corporations that are making money.

Sure, I guess you want to be fair. Well, there is no fairness in this darn thing. Once you start attacking, putting legislation in place that strips away hard fought rights, and in the spirit in which this country was built on, that people went to war over, quite frankly, and probably some of your fathers and uncles died fighting for what we call democracy. This is no different than the '30s back in Europe, is it?

It is only the small first step to beginning, to get rid of public workers. Why? What did they do so wrong to deserve this treatment? They go to work. They try to do the best they can. They follow their orders, sometimes under difficult conditions, and then to say, you are doing all right, quite, thank you. Well, all of them are not doing all right.

I reject the proposition put forward by the Honourable Mr. Manness about the number of employees who are getting merit increments, because that is what it is called—a merit increment. Some classifications have ranges of pay, and you can recruit up the range. Interestingly enough, the government will not agree at negotiations to make sure that everybody starts at the minimum step of the pay range. So you have to progress through the

merit increment system. Oh, no, we need that for recruiting, we may get somebody. We cannot pay them a minimum. We have to maybe hire up at the maximum. So, what is it really? It is nothing but a glorified recruiting tool.

I would suggest most of our members are at or near the maximum currently today. We have some people who do not get a merit increment. There is only one rate of pay. That is wrong. What about the people who do not get a merit increment who have worked for this government long and well, who took pride in their jobs? I think the brother from the Manitoba Telephone System is very proud of his company, I think that is pretty darn good. It is nice and refreshing to see because I do not really hear that from government employees, quite frankly. They are losing faith to say, what did we do to deserve this?

You know, we hear about the proposals the MGEA made, how expensive they are. I would expect that if the government were to agree to every one our proposals—you would be nothing but damn fools. You never have, you never will, and we know that. The proof in the pudding is what gets signed on the dotted line at the end of the negotiating session.

I can tell you we stuck to zero in '84, then we got good vacation. We took three in '85. We took a CPI in '86. We took a three in '87, a three in '88 and a CPI in 1989. We have not had an increase since then, have we? Oh, we have got '90. Here we are today. So it is not just a wage freeze that people like to believe, that it is an attack on the fat cat public sector employees. Nothing could be further from the truth.

If you want to do something with this country, I think you are going to have to—

Some Honourable Members: Oh, oh.

Mr. Chairman: Order, please.

Mr. Ollen: Yes, order, please. It is getting warm and the mosquitoes are funny.

I think we can all work together. I have known that when the people are honest with each other, but it is tough to deal with people that you cannot trust. That is the unfortunate, that is the major problem in this particular piece of legislation. It tears at the root of integrity, of when you sit across the table with someone that you know that when they shake hands on a deal, that it will be honoured. We have to out to bat and talk to our members. We put out the vote

on arbitration. That was the subject of discussion. Over 12,000 members voted to go to arbitration, 500 said no. Now that is democracy.

When we had the meeting on May 9, which I believe was referred to last night, which I was in attendance to, interestingly enough we have got the Minister of Justice (Mr. McCrae) who probably put himself out of a job once he loses this one. He will not have a court reporter's job to go back, because he basically abolished them all, which is interesting. I hope he does not come to his old union and ask for help.

Mr. Chairman: Order, please.

Mr. Ollen: I know, I am sorry.

Mr. Chairman: Mr. Ollen, I would like to remind you that we should be being a little bit more relevant to towards the bill. I understand it is an emotional issue but let us—

Mr. Ollen: What I think is also funny, the same day that Bill 70 was announced in the Legislature, really in effect terminating collective bargaining, June 3, 1991, we got a letter addressed to Peter Olfert, signed by the deputy minister of the Civil Service Commission, which we are told is just a fluke—please be advised that the government wishes to renegotiate this memorandum. It is on vehicles, government vehicles. The same day, they cancel bargaining, or they propose it, they say, could we get together and negotiate because our vehicle costs have gone up and we would like to discuss some rate increases? Now is that not kind of hypocrisy?

We are prepared to negotiate with the government. We met with them on July 4. We said, yes, we recognize there have been cost increases to the government. There is no doubt about it because Treasury Board authorized a 3-cent-per-kilometre increase, October 1, 1990, signed out by Michael Bessey, and what they said in the missive to the departments was, it is because of rising fuel costs. We recognize that. You are darn right, and they are up again, but the government employees who are providing a vehicle to their employer are still locked at the rates they got back in April, '91, or, '90, pardon me. No increase for them unfortunately. What are they going to have to wait again?

I believe in a nutshell, I really urge people not to support this bill. Maybe there is another way, but this certainly is not the way. It is too far reaching. It

goes beyond the bounds of saying, hey, we have got some deficits to control. This is a fundamental attack on democracy in this province. I am surprised that the Manitoba Association of Rights and Liberties is not here today talking about that, and I thank you very much. I know I get a little heated, and I apologize, but I wish to honestly thank you all for your patience and indulgence in listening to me. Thank you very much.

Mr. Chairman: Thank you. I believe there will be a couple of questions, Mr. Olien.

Mr. Leonard Evans: Thank you very much, Mr. Olien, for your excellent presentation. I only have a couple of questions, because you have really answered many of the questions I might have put forward, such as FOS being nullified with the casino workers and also the extent to which you were engaged in collective bargaining.

Just generally speaking, what impact do you think that this legislation is going to have on the provincial economy of this province?

Mr. Olien: What the impact on the economy is, there are different economic theories that go around, depending on what school of theory of economics you want to listen to. Generally, they always seem to be wrong in the end. It is whatever is the current fashionable mode to take.

I think any time you reduce the expenditure of money throughout the economy, it is money that is not spent in rural Manitoba, as an example. It is money that is not spent in businesses, industries throughout the province, because it gets such a narrow interest and a lot of it may leave the country. There always is downturn, because once you start shrinking the spending, it has a negative effect of causing inflation to either go. It causes higher employment which leads to more unemployment. People cannot sell their goods and services. It is almost like it becomes cancerous. It is a tough one, because when you do that, you take money out of the economy, obviously.

(Mrs. Louise Dacquay, Acting Chairman, in the Chair)

If you dry up the water—and I think it was the lady from the Manitoba Telephone System says, if you turn off the tap without finding alternate sources of water, you have done something wrong. I think there is going to be a bad effect. To what great extent, that is always hard to determine in reality. I

mean, that is like waiting for the numbers to come in.

* (2230)

Mr. Leonard Evans: Madam Chairperson, have you any idea to what extent the real wages or the real incomes of MGEA employees will be reduced by this measure in the next year?

Mr. Olien: Well, there are estimates that go, like, \$500 or \$1,000. That will vary with individuals. It may be higher. It may be lower. I mean, that is the interesting thing, that when you talk about what does a raise mean, we use the consumer price index as a rough measurement. To some people that is not enough, to other people it is adequate and others it is maybe more than enough, because it is really some kind of a tool. The costs, I have not determined, so I cannot point to anything. I know that Statistics Canada finally said that the major cause of inflation in this country is the federal government and their policies. Forty-four percent of that cost of living is directly attributed to the federal government policies, which impacts on us, you know. I know that. I think it is tough when you cannot get money out of your "relatives."

Mr. Leonard Evans: What you are saying though, I gather, is that given the fact that we have got inflation running 4 percent to 5 percent likely in the next year, given the fact that this amounts to zero increase, therefore the entire membership of MGEA in effect will take a reduction in its standard of living. Is this what you are telling us?

Mr. Olien: Yes. You do not have to be a rocket scientist, I believe, to figure that out. Quite frankly, if your costs are going up, and everybody agrees that in one form or another they are seeing increases in the cost of living, I mean with the increase on Unemployment Insurance premiums that affects business plus employees, there is obviously more money out of your pocket. City of Winnipeg taxes, as an example, go up. There is more money out of your pocket. I mean, it goes on and on. The GST—God only knows. They even want to collect GST off the wage recovery we pay to the government when we have somebody come to the bargaining table and we want to reimburse the province for the wages paid that day. They want to charge us GST on that for Christ's sake. I mean, this is getting ridiculous. It is bizarre.

Mr. Leonard Evans: I wonder if you could tell us, in all of your studies involving negotiations and so

on over the years, what is your impression, how do Manitoba public sector wages compare with those in the other provinces?

Mr. Ollen: Well, we are approximately in the middle, fourth, fifth. It varies. B.C. used to be miles ahead of us. They have slipped a bit. Saskatchewan slipped a bit. Ontario is going back ahead. Prince Edward Island has today just apparently reached a tentative agreement, giving \$850 a year to their civil servants plus, back to October 1990 and I believe 4.5 percent effective this July. Of course, then we have the other experiences in Newfoundland and New Brunswick and other provinces where there is an attack on their sector. So it is all over the lot. We are probably about in the middle there, but that varies with jobs.

Not everybody makes 40 grand a year, 30 grand a year. I mean, we have got tons of part-time employees; even though they may get an hourly rate that might show \$12-\$13 an hour, let us have a look at the T-4 at the end of the year and find out what you took home. I mean, we have got fire rangers that their work is being reduced, park attendants that used to work at the gate at St. Malo till they put an automatic gate on there. So there are some rural jobs gone. That is just a couple of small examples. There used to be a natural, real, live living person that actually came, when you came to the gate, who would help you. Now you can put your loonies in. If you do not have it, I guess you had better go back to the store and get some change. Service to the public—beautiful.

Mr. Leonard Evans: Yes, thank you. Certainly the morale of the MGEA employees, the public sector unions, all the personnel affected, will obviously be lowered through this. But, in your judgment, to what extent do you think that the lowering of the morale is going to affect the efficiency throughout the public service?

Mr. Ollen: The efficiency may take a while to filter through at times because I think there are a lot of people who are somewhat, I find, in a bit of shock at the moment. I do not think that they really believe that. In light of the fact that the settlements they have taken over the last number of years, they figured that they were playing their part and doing their bit, and they felt that, geez, we cannot keep taking these small increases all the time. The cost of living is escalating. I think that there is going to be an effect on morale. It is hard to measure. I think it is tough to change people who basically in general

are committed to their work, who take pride in their job. It is tough to get them to suddenly turn around and not have that pride anymore. It is almost like it takes a certain period of time; you almost have got to beat it out of them.

In my own experience when I worked at the post office, I experienced that from when I joined there in '61. I had high morale when I worked there. It was not long, about five years, that was sort of taken out of you. It takes a while for that to materialize.

If your employer has no respect for you, it will take some time, but eventually you will get the message: I do not think they care about me. They do not respect me for the job I do. They do not seem to have any concern about me. I am not a high-priced senior advisor to the Premier on French language at 60-some thousand dollars a year. You know, it might be somebody that is working for \$9.29 an hour or \$10.13 an hour, and that is what they get. But, to knock morale out, that is a tough one, but I know that there are a lot of disgruntled employees who are tired of seeing the work being contracted out, privatized while they sit there and watch the work go away. It is not because they are not willing to do anything. Community college instructors who cannot sell programs because it is earmarked for the private sector. So, although they can deliver the programs, no, cannot have the money. That is going over there. Now, if you are a private consultant, come and see us. We have got money for you. You hear reports of that. That has got to have an effect on morale; of course, it does. Ask the court reporters of their morale. Almost half of them have taken severance pay out of disgust.

The Acting Chairman (Mrs. Dacquay): Thank you, Mr. Olien. Doug Shattuck. Mr. Shattuck, do you have a written copy of your brief?

Mr. Doug Shattuck (Private Citizen): No, mine is a verbal presentation.

The Acting Chairman (Mrs. Dacquay): Thank you. Please proceed.

Mr. Shattuck: I will not take long. I know everybody is getting tired.

It seems to me that Bill 70 is the final confirmation of this government's moral weakness. As with so many other governments in Canada, the temptation to use legislative power to abrogate their responsibility to treat their employees fairly has simply been too much for Mr. Filmon, Mr. Manness, and others of their ilk to resist.

Rather than bargain in good faith, this government has chosen the path of the coward, the bully. Now, I know collective bargaining. It is not easy. It is difficult at the best of times. The meetings are long, as Mr. Olien referred to. They consume time, energy, resources, money. The process is painstaking. It is tedious. It is democratic. At the end of it all, with give and take, you end up with an agreement. Public sector bargaining works and it works very well, and it has worked in this country for many decades. That is only true when both parties want it to work. This government is in effect saying that this is all too inconvenient and unnecessary. There is no doubt democracy is inconvenient but I believe it is necessary.

Now let us turn for a moment to the public arguments this government has used to support the wage freeze. They are all specious. First of all, the government claims that revenues are down and we must all share in the burden of this recession. This is a double argument—revenues sharing the burden. On the revenue side, the government has said and done nothing about the inequities in our tax system. It is a scandal. The latest budget even enhanced corporate tax giveaways. While some of these taxation issues are federally controlled, there has not been one peep, not from Mr. Manness nor from Mr. Filmon, about the Reaganization of the Canadian tax system. Perhaps they agree that the poor should pay more while the rich pay less.

* (2240)

Now the other part of this argument is the sharing the burden. It is not supported by any government actions in this province. There seems to be plenty of money for government-employed doctors, professors, judges. There seems to be lots of money for Tory consultants, political appointees, party hacks. Money does not seem to be short for The Pines, Oak Hammock, the president of MTS. So this argument appears a little bit thin to me, personally. I do not know what you think. There is no sharing the pain with this government. It reminds me of *Animal Farm* by George Orwell. I do not know if any of you read these books. Do you remember the phrase, some pigs are more equal than others? Well, apparently the trick with this government is to be one of the more equal pigs.

Now the second argument mounted by this government was the whole overpaid, underworked civil servant argument, which right-wing

governments have been so fond of using during the last decade. There is no evidence to support this argument either. Private sector/public sector wage comparisons in the unionized work environment show very clearly that workers in the public sector do not make more than their private sector equivalents. Certainly, when you talk to the people like the Chamber of Commerce, they love to compare the wages of a unionized secretary with the wages of a nonunionized secretary. Certainly, we agree there are benefits to being members of unions and we are proud of it, and certainly there should be benefits because we work damn hard for our members.

In many cases, these people in the government make much less than private sector people. Trades people in the government services are a very good example. There is a mechanic at Landau Ford, an auto mechanic, who makes \$55,000 a year. That is almost as much as some of these political appointees. So the overpaid, underworked argument does, I believe, offer a very good clue as to what is really going on here. Ability to pay is not a valid argument. Present wage levels: not valid. Sharing the burden: does not work. So why, I ask you, is Bill 70 and this wage freeze being implemented?

I am sad to report that this wage freeze is nothing more than a cynical public relations exercise being propped up by this Tory bias against the Civil Service, against unions, against social programs in general. That is why Bill 70, which effectively takes away people's rights to collectively bargain, to pay equity, changes to nonmonetary provisions in contracts and the wage freeze is being sold to the public solely on the basis of the wage freeze. Do we hear anything from the government about the loss of collective bargaining rights or the facts that some of their benefits are frozen? Not a word.

So obviously someone in the government has read that book, that famous book about the manipulation of public opinion. The book, entitled *The Sultans of Sleaze*, clearly documents the selling of free trade, the great Meech Lake debate and the selling of the deficit. All of these issues were cynically sold to the public with the application of all of the resources which governments can muster, and believe me they are considerable. They all have a single commonality, these issues, and that is the technique of the big lie. Bill 70 is just another example of the application of this technique.

If this government cared about the deficit, we would have an equitable taxation system. If this government cared about education, our community colleges would not have endured fiscal disembowelment, and if this government cared about the services its employees provide to the public, it would not be taking away their rights to free collective bargaining or forcing them to personally subsidize a government by and for the privileged in this province.

For the future, I am afraid it looks grim. People making wages at or near the poverty line will have a harder and harder time making ends meet. Labour relations in Manitoba will be more bitter, more fractious, more confrontational. You can expect more demonstrations, more strikes, and pushed hard enough, you can expect illegal strikes. The recession brought on by the Mulroney government will be lengthened by the Filmon government. Services to people will continue to be downgraded, while the rhetoric about the sanctity of these services continues unabated; more big lie in the context of continentalization. It is a sad state of affairs for this province.

There is one hopeful sign on the horizon. Inevitably, the one thing about our democracy that this cynical government cannot avoid—take a look in Saskatchewan if you want to see your future—is that sooner or later, it will have to face the people who elected it. This time, the labour movement will be united as never before, and this time, the lie of “what you see is what you get” will not be enough to lull the voter into thinking that maybe the Filmon government is okay. This time, we will all know better. Thank you.

Mr. Leonard Evans: Thank you, Mr. Shattuck, for an excellent presentation with which I agree 100 percent.

I have a couple of questions. I have always had the view that Manitoba had a very excellent Civil Service, an excellent public service and that Manitobans were generally well-served. You mentioned that with this legislation, it will have a negative impact on morale and services could be hurt. The quality of services could be hurt.

Could you elaborate on that? Could you give us some more detail as to how you think services might be downgraded or will be downgraded through the impact of this legislation?

Mr. Shattuck: This legislation is only another piece in the whole puzzle of downgrading government services in my view. Just to take one example in the government service, I do not know if any of you ever had a mother who had a stroke and required home care. I was in that position, so I have some understanding of how that system works or is supposed to work.

Recently, we have been getting a number of very disturbing reports about a subtle, kind of quasi-privatization taking place where people being released from hospital are encouraged to seek private home care, where there are problems getting home care arranged and in frustration they will maybe hire from Drake home care services.

There is a tremendous amount of pressure on the people who provide home care services. These people, largely women, although some men, work for very poor wages under terribly difficult circumstances, and to top it all off, now they are touched with a wage freeze and the knowledge that this government is trying to slowly eliminate their service. That is only one example. So it is not just this bill, Mr. Evans.

Mr. Leonard Evans: You also referred to motivation for the legislation. Are you telling the committee ultimately or basically that this legislation is based on ideology rather than on pragmatic consideration?

Mr. Shattuck: I do not think that it is based on either. I think it is based simply on the fact that they have run a couple of arguments by their pollsters. I am sure they do polling on a regular basis. If the pollster told them that if they went after red-haired people below five foot two, I am sure this government would be capable of mustering a campaign against those people. It has nothing to do with anything except keeping and getting power.

Mr. Leonard Evans: Thank you. I have asked others this question, but I would like to put it to Mr. Shattuck, and that is, what impact do you see this legislation having on the provincial economy?

Mr. Shattuck: It has got to be negative. Those millions of dollars that would have been put in for people making low and medium wages, that money will not be going into the economy. I do not know why small business people support this kind of legislation. They are the ones who are trying to sell their services. If people do not have six bucks for a movie, they are not going to go to that movie.

I think one of these days—there was an interesting example in Selkirk recently where the Selkirk Chamber of Commerce condemned the recent government budget because they understood that a million and a half dollars out of the Selkirk economy was going to be a major, major problem for them. The Chamber of Commerce in Selkirk seems to be a lot more progressive than the Winnipeg Chamber of Commerce, for example.

* (2250)

Mr. Leonard Evans: Others have referred to the public sector being used as scapegoats. Are you telling this committee that, in your opinion, the public sector unions are being used as scapegoats, the public sector workers are being used as scapegoats for the incompetence that we are seeing in this administration?

Mr. Shattuck: Certainly. The government does not want to talk about our grossly unfair taxation system. They do not want to talk about all of the patronage they are involved in, the pork barreling, the political appointments. They want to talk about what a bunch of fat cats civil servants are, and I think that is grossly unfair and I think it is cruel.

Mr. Leonard Evans: From your knowledge of labour movement and labour relations in the province, how does Manitoba compare with the other provinces in Canada with respect to days lost through strikes, work stoppages, lockouts, et cetera?

Mr. Shattuck: During the period when FOS was in force, I know Manitoba had one of the very, very best rates in the country in terms of days lost to work stoppage. I do not think that is any longer going to be the case. I think we can look forward to a much more embittered atmosphere for labour relations, including in the private sector, because of the bad signals that this government is sending out.

For the future, again, take a quick look at Saskatchewan. Those people have been battered and beaten by the Devine regime for some years now, and I can tell you, I do not think that one person is left. I was in Regina recently. I do not think there is one person left in that city who would vote Conservative.

These people better be careful because there are a lot of people involved in the public service in this province, more than 10 percent. They all have relatives. They all have friends. When you beat them up, they do not forget.

Mr. Leonard Evans: I guess, basically, are you telling the committee that this is a bad piece of legislation? It should be withdrawn because it is bad for the economy, but also it is anti-democratic and simply bad in terms of good labour-management relations?

Mr. Shattuck: Oh, it is horrendous. It takes us back decades.

Madam Chairman: Mr. Shattuck, may I ask you to please pause. I am desperately trying to get in before you start answering, but it is difficult for Hansard. They are not able to distinguish between the voices. That is why we must identify each speaker because there is simultaneous recording.

Mr. Shattuck: Okay. I am sorry.

Madam Chairman: Thank you. Please proceed.

Mr. Shattuck: I really do not have anything else to say except that the legislation cannot be amended. It cannot be improved. The only solution is to defeat the legislation or drop the legislation and get back to the bargaining table. That is all we are asking. It is very simple.

Mr. Leonard Evans: Thank you very much.

Madam Chairman: Louis Lapointe. Mr. Lapointe is a rural presenter who indicated he would appear on Saturday. Joan Lyons. Ms. Lyons, you may proceed.

Ms. Joan Lyons (Private Citizen): Thank you. My name is Joan Lyons. As a private citizen, I am here to voice my concerns about Bill 70. I have never appeared before a legislative committee before, but the very real fear I have about this regressive legislation has made this presentation necessary.

Bill 70 is antiunion, antilabour. It is an unconscionable attack on the collective bargaining rights of workers in Manitoba. I am one of those workers. I work in the health care field, not as a nurse, as is the usual assumption. I am a carpenter. I work in the maintenance department at the Health Sciences Centre. I belong to a union, the International Union of Operating Engineers, Local 827.

In 1988, I was one of the 106 workers who went on strike for seven weeks. Strikes are not always just about money increases. They are a sometimes necessary part of the collective bargaining process. There are other basic rights and principles involved, clauses that ensure job security, promote benefits,

and others to stop the erosion of workers' rights. During my time on the picket line, I resolved to become more involved in the bargaining process during the next contract negotiations. In March of last year, I signed up for a course at the labour education weekend sponsored by the Winnipeg Labour Council. I plan to add my name to the list of nominees for the negotiating committee. The course is called: Collective Bargaining Tactics.

I found it very interesting and very informative, especially the video presentation, "The hypothetical bargaining scenario," the management team, with their proposals, meeting the union team with their proposals, and the exchange of those proposals. The union and management proposals were just that, proposals, offers, a starting point for the give-and-take, and the compromise approach that is collective bargaining.

Our committee started last June gathering information from our members, what they wanted, their hopes, fears, ideas, such as improved parental leave, safety allowance. We eventually drafted the Health Sciences Centre maintenance unit proposal. All of the units in our union, the Misericordia Hospital, Grace Hospital, et cetera, and the units in the Health Sciences Centre, including the biomedical, energy centre and occupational therapy, were at a central table with the MHO. Our unit was to bargain locally, our unit by itself with the Health Science Centre management, or so we thought. The government stepped in to say their offer would be zero and two.

In January 1991, the central table units voted to go on strike for a more equitable offer. The maintenance unit has a strike mandate, and we choose to pull overtime and standby. We are in a legal strike position but want to continue the talks. After 60 days, we are eligible to apply final offer selection, an option that Premier Filmon has extended to March 1991, our only option and a viable option that we believe in. To be so wrong—all the hard work, the long hours that the negotiating committee members, myself as an alternate, the time spent away from your family—all for nothing.

I just do not mean the zero percent. It is the principle. You do not change the rules in the middle of the game. We have won the final selection award, but Bill 70 negates it. It is all the more frustrating to win and have a loss legislated, but it is even more frustrating to know that the nonunion

management at the Health Sciences Centre received a 3 percent increase this year.

Bill 70 is antiunion, it is antilabour, and what we need is antifreeze. Thank you.

The Acting Chairman (Mrs. Dacquay): Are there any questions?

Mr. Hickes: I just would like to thank you for your presentation here. As you stated, you have not ever presented before a committee before, and I would just like to commend you for your presentation. I really enjoyed it, and it is nice to see a woman in a different field than what has been accepted by the public or recognized by the public.

I just wanted to ask you, when you were preparing for your presentation, did you have any consultation with your other co-workers?

Ms. Lyons: Not with this, my speech. I think that was the feeling that I felt and the negotiating committee's frustration knowing that our agreement is nothing, but I think that what I can go on is by talk at coffee time and stuff like that, that it is a very low-morale situation. It is frustrating and it is disheartening, after all this time, to have a noncontract.

Mr. Hickes: I just have one more question. I would just like to, with your coffee-shop talk and stuff, being employed at the Health Sciences Centre and also being exposed to other bargaining units, is there any coffee-shop talk of any fear extending to other units?

Ms. Lyons: I think the other unions are very much concerned. I know CUPE made a presentation yesterday, and I think it is something that has spread across the whole health care field. It is something if they have an agreement already or if they are having one that is coming up in the near future.

(Mr. Chairman in the Chair)

Mr. Hickes: I would just like to thank you for your presentation.

Mr. Lamoureux: Yes, Ms. Lyons, I, too, appreciate you coming forward, this being the first time. My question is in regard to the Minister of Finance (Mr. Manness) where, in particular, the government has said that the public sector compared to the private sector is in fact overpaid. I would ask you, in terms of your profession, that you are with the government as a carpenter, do you feel that you make considerably more than what your counterparts would in the private sector?

Ms. Lyons: No, not at this moment. The last contract, we were trying to get wage parity with the university, and I know that is something we are not close on.

Mr. Chairman: No further questions. Thank you very much, Ms. Lyons. At this time, we will move on to No. 15, David Densmore, No. 16, Bruce Mackay. Do you have a written presentation, Mr. Mackay? In that case, if you could present it to the clerk, she will distribute it to the committee, and when the committee has it in their hands, we will start.

Go ahead, Mr. Mackay.

* (2300)

Mr. Bruce Mackay (Private Citizen): I wish to say thank you for allowing me to speak tonight. My name is Bruce Mackay, and I am appearing as a private citizen. I will be speaking in opposition to Bill 70.

My basic premise is that wage restraints do not work. They only provide additional hardship in the form of loss of wages, spending power and disposable income to those groups affected, in this case, initially to public sector workers. Before taking my current position in the private sector, I was employed by the federal government, so I well remember the days of six and five and the anti-inflation board. This policy was a disaster for public sector workers. Federal workers have not caught up since those days, and many were driven under the poverty line. Prices were not controlled, and the fat cats got fatter.

Not only is this government intending to freeze wages, but it is asking public sector workers initially and all workers eventually to pay double tax. The government is placing the burden of paying for public services squarely on the shoulders of those who provide the services.

On Sunday evening I watched on Newsworld the TV program, *Workweek*, during which Bill 70 and the whole issue of public sector wage restraint legislation was discussed. It is interesting to note that this government did not have the courage to send a representative. Be that what it may, it should be noted that even the economist representing the Chamber of Commerce had difficulty with this legislation. It was stated that public sector workers are not responsible for the recession. In fact, wages among provincial and/or federal workers represent a very small percentage of government spending. This is more of a PR campaign which in the end will

be devastating for many thousands of workers in the province of Manitoba, small business and, in general, the economy by removing disposable income.

In my case, I have specific concerns. I am a member of Office Professional Employees International Union. In my bargaining group we have two members in Manitoba. As we have members in six provinces across Canada, we are voluntarily certified in Ontario. We are presently negotiating with the employer. In reading Clause 9(1)(b) which states, and I quote: "extending the application of all or any part of this Act to any collective agreement on any terms and conditions that the Lieutenant Governor in Council considers appropriate;"

This gives the government of Manitoba the right if they want to roll back our gains, which will be higher than the legislation defines, and makes us who are workers in Manitoba second class citizens. A person doing exactly the same job in another province will not be rolled back, nor is he in any danger of being rolled back.

What will the government do to my employer if the employer refuses to roll back my wages? The employer is in Ontario. Will the government send a team of goons to Ontario to drag the employer back to Manitoba to be somehow disciplined? Whoever was responsible for drafting this legislation should admit it was a mistake. Throw it in the garbage and apologize to the people of Manitoba for the many millions of dollars wasted in an attempt to deny one small segment of the provincial work force's free collective bargaining rights. This is what it is all about. The Filmon government is admitting that they are not competent to go to the bargaining table and negotiate a contract, so they must say, if I cannot win, I will sulk like a spoiled child and take by baseball and go home.

This is not a child's game. It affects many people's lives, aspirations for both themselves and their children. It is a vengeful, sadistic piece of legislation that has the potential of affecting every worker and/or driving employers who have offices in other provinces to shut down their offices in Manitoba rather than be dragged back to the province of Manitoba for not implementing 9(1)(b), if required so by the Lieutenant Governor in Council.

The provincial Progressive Conservatives should be ashamed, ashamed, ashamed of themselves for this Draconian legislation.

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

Mr. Leonard Evans: Thank you, Mr. Mackay, for your interesting presentation, and I certainly agree with your comments. Just to get you to elaborate on some points, though, are you telling us in your brief that really you do not see this legislation being compatible with the so-called free market that we are always talking about in our province and in the country? We talk about freedom of enterprise, freedom of people to enter into contracts, freedom of people to do their own thing in the economic sector. Are you telling us that, in effect, this type of legislation totally goes against the grain, is totally contradictory to that so-called free market approach?

Mr. Mackay: It is certainly contradictory to the approach of free collective bargaining, which those of us who have been unionized, or involved with unions most of our lives, believe to be a fundamental pillar.

We have the right to sit down across the table from our employer to try to work out the best deal possible in an atmosphere where we are equals. This is giving one side a sledge hammer and removing that whole principle of free collective bargaining.

Mr. Leonard Evans: How large is your particular union?

Mr. Mackay: In my bargaining group we have 38 members scattered across Canada: 17 in Ottawa and the rest scattered across the country.

Mr. Leonard Evans: I would imagine then, what the consequence of this bill would be—I am asking Mr. Mackay: Would the consequence of this bill be to cause the workers in Manitoba to decline in terms of wage levels vis-a-vis their counterparts in your union in the other provinces?

Mr. Mackay: Certainly. We are at the bargaining table now. If we negotiate a 6 percent increase, and the government of the day, in their wisdom, decide to implement 9(1)(b) against Office Professional Employees International Union 225, and rolls back the two members in Manitoba, my counterpart who does the same job in Edmonton will, in essence, be making more wages and we will feel like second-class citizens. I do not think that is good for our employer. The employer does not want

disgruntled employees in Manitoba. The question that I have for the government of the day is, what are you going to do if the employer says, screw you, I am not going to roll back my workers wages? This 9(1)(b) is not enforceable.

Mr. Leonard Evans: So, what you are suggesting is the solution is to withdraw the bill.

Mr. Mackay: Yes, throw it in the garbage and start over again—or not start over again. Just throw it in the garbage and ignore it. Sorry.

Mr. Leonard Evans: Mr. Chairman, I would like to ask Mr. Mackay, how important—we talked about nonmonetary items as opposed to wage items, wage settlement—how important are the nonmonetary items, because all of those are frozen or are affected by this legislation as well, to your members?

Mr. Mackay: To our members, on the last two rounds of bargaining that we have been involved in, we have not opted for wages in particular. We have opted for benefits, and we have concentrated our efforts on increased benefits. Certainly, if that is frozen it will certainly take away people's rights to negotiate dental plans, eye care plans, audio plans. You know, all these are important because we are quickly becoming an aging work force. Nonmonetary items in those areas are certainly important to everybody.

Mr. Leonard Evans: Again, I would like to ask you the question that I have asked some of the other delegations, and that is, in your opinion, how do you think this legislation will affect the provincial economy?

Mr. Mackay: I think in the CUPE brief last night they had specific figures about how much income or disposable income it is going to remove from the provincial economy. As somebody said before me, small business should be up in arms about this legislation, especially in areas where there is a large provincial government presence. That income is going to be taken out of that economy and certainly people will not be able to go to shows, or to go to restaurants as often, or to buy luxury items. It will be devastating to some of those communities.

Mr. Leonard Evans: There has been some reference to a sunset clause, but I gather that is not satisfactory, that what you are saying is, categorically, get rid of the legislation. Is that what you are saying?

Mr. Mackay: Yes, I think we are all becoming very cynical of this government, and any government that purports to try to negotiate with their workers, and then turns around and slugs them over the head with Bill 70. I mean, can you trust anything?

Mr. Leonard Evans: Thanks very much.

* (2310)

Mr. Chairman: Any further questions? If not, thank you very much, Mr. Mackay. We will now move on to No. 17, Darrell MacKenzie. Darrell MacKenzie? We will put him back on. No. 18, Hugh Connelly—Mr. Connelly is coming forward. Do you have a written brief, Mr. Connelly?

Mr. Hugh Connelly, Private Citizen: No, Mr. Chairman, I just got the call at six o'clock tonight, and I just had some notes. If that is okay, can I read from them?

Mr. Chairman: No problem, just go ahead and we will—

Mr. Connelly: Thank you. My name is Hugh Connelly. I am a private citizen and I would like to voice my opposition against Bill 70.

One of the main reasons I am here is that I am also a taxpayer. Bill 70 here is infringing on my rights to gain a reasonable standard of living by hampering my union to negotiate through the process of free collective bargaining. As a taxpayer, this government has raised taxes every chance it can and with its policy of trying to implement a policy of restricting the wages, how can a taxpayer bear the cost of these things? You are restricting my chances of earning and exercising a reasonable standard of living.

I would also like to say, if this government is serious about its fiscal management policy, it should impose similar types of sanctions on all sections of society: the business section, the industrial section, the professional section and the political section of society. This government should be seen, or tried to be seen, as to be fair to all sections of society, not just some of the political and favoured. There is Rotary Pines which is one, as a taxpayer, that I find quite obnoxious.

The infringement on my rights as a union—how can a union bargain in good faith when the government stated before the commencement of bargaining sessions that there will be no raises for any government union and then proceed to negotiate through the media? In my opinion, a

wage freeze has never solved anything. It has only been a detrimental effect on those affected. It also is a licence, in my opinion here, to print money for unscrupulous businessmen's companies and governments to make political hay.

There is another point that I would like to see, and that is government not having any credibility with the people I know. How can a government propose this type of legislation, and also make changes to the social services through the child care workers that are very lowly paid, by eliminating the salary enhancement grants and allowing the centres or directors of that centre to use the money as they see fit? In my employ, I work at the Health Sciences Centre as a plumber. I have been in private and public sector, working in it. I find it very hard to go to work and work with middle management who can turn around and say they have 3 percent wage increase without any negotiations, and they are not rolled back.

The other thing is that the government's argument going in—and one of their main arguments was that the arbitrators were too lenient with the unions. The arbitrators were supposed to be neutral going into the arbitration process. If the arbitrators have been judged to be settled more on the labour side, obviously it shows that the government's case must be very weak. That is all I can say.

Thank you very much.

Mr. Chairman: We will have questions, if you do not mind.

Mr. Leonard Evans: Thank you for presentation, Mr. Connelly. You made some reference to binding arbitration. Do you think that would be a superior approach? Are you saying that this would be a superior approach to this particular legislation?

Mr. Connelly: I would think binding arbitration—we have been through that process within the Health Sciences Centre before. Binding arbitration is the lesser of two evils, as I see it. At this present time, binding arbitration is certainly a lot better than what we are getting here. This bill is Draconian. If this bill was only a wage freeze, but it is certainly not any wage freeze. Everything else is under the table. Nobody can see what this bill is, and nobody can trust this government here just now to follow through with just saying what it says on top of the table. This government has got clauses in there that they can say, okay, we can do anything

we want after this, and God knows how long it is going to go on.

Mr. Leonard Evans: I would take it that at the Health Sciences Centre that your fellow workers, your union, is not directly affected by this at this time.

Mr. Connelly: It certainly is. One of the past speakers is also within the local I am in, and we went to final offer selection and were awarded 4.5, which in this present climate I do not think is unfair. I would not say it was great, but we can live with it. We were not asking for any more than that at the present time, but we were certainly in the rollback, so we have been affected.

Mr. Leonard Evans: What about the nonmonetary side of it? We are talking about wages, but how important for you is the fact that the nonmonetary side is also impacted by the legislation?

Mr. Connelly: I think the nonmonetary side of it has a bigger part for a lot of people because the way the tax system just now is, if you can negotiate benefits, better dental care, eyeglasses, footwear, protective clothing, it certainly is a lot better. It makes your work safer; it is a better environment.

They have a big impact on working people's lives, and I think that the nonmonetary aspects are of as great importance as the money.

Mr. Leonard Evans: As a matter of interest, Mr. Chairman, I wonder if Mr. Connelly could tell us how long was his union bargaining before this legislation was brought in?

Mr. Connelly: I would say about six months from the start.

Mr. Leonard Evans: At any rate, six and a half months—

Mr. Connelly: No, six months.

Mr. Leonard Evans: Six months. Mr. Chairman, I would ask Mr. Connelly, I gather therefore that generally your fellow workers are very disillusioned and upset with what is being proposed here?

Mr. Connelly: Certainly, very disillusioned. I would say disillusioned, upset, to what extent I cannot really say. There is an awful lot of resentment within the work force just now.

Mr. Leonard Evans: Thank you very much.

Mr. Connelly: Thank you.

Mr. Chairman: Any further questions? If not, thank you very much, Mr. Connelly.

Mr. Connelly: Thank you.

Mr. Chairman: Ken Guilford, Mr. Ken Guilford. Have you got a written presentation, Ken?

Mr. Ken Gullford (Private Citizen): Yes I do.

Mr. Chairman: If you could just present it to the clerk, and we will distribute it.

Mr. Gullford: I will do that.

Mr. Chairman: I am glad to see you do not need a mike.

Mr. Gullford: You are right.

* (2320)

Mr. Chairman: One thing I will explain, Ken. I should have explained this earlier for the presenters. The reason I am calling the names back and forth, it is for Hansard to be able to cut into and know where the splice lines are when the presenters are coming forward.

Mr. Gullford: So this is being recorded?

Mr. Chairman: That is correct, Ken.

Mr. Gullford: Oh good, good.

Mr. Chairman: Go ahead.

Mr. Gullford: Too bad we do not have a camera. Can I get a camera sometime?

Mr. Chairman: No, not tonight, Ken.

Mr. Gullford: Members of the Legislative Assembly dealing with Bill 70, ladies and gentlemen in the audience, I would like to say that I am speaking to you, not only as a private citizen, but also as a concerned and angry person who dislikes Bill 70. I am a working person who could be affected by this government action.

We, the people, want an honest government and one who believes in working people, not one who gives large increases in salary to the upper class while choosing to ignore the middle and lower classes. Think about the Pines project, the money to provincial judges, the money paid in salaries to the upper class jobs, not only federally but also provincially and on municipal positions, as well.

We must find ways to not erode things anymore, but how can we improve them? Do yourselves a favour and help us—the middle and lower class people. We are not asking for a large amount of money. We only want to feel important and have enough money to survive on. It would be great if we could all be millionaires, but this country could not survive this way. We want the ability to bargain with the province as well as in private industries.

Workers are being blamed for an economic situation created by Conservative governments both provincially and federally. This has been done through legislation like the GST, free trade and large tax breaks for corporations. This is not a working people's agenda but a Liberal and Conservative government's agenda. I am glad my MLA from Inkster (Mr. Lamoureux) is laughing—I am sitting on the Conservative side, that is good. In Manitoba, the Filmon Conservatives are now attacking the public sector workers in Bill 70 and reserve the right to expand the legislation to other workers in the province if they deem that wage settlements get out of hand.

It is ironic that workers who have the least control over the crisis that the country is in are the group who is called on the most to turn it around.

Is anybody listening? Everybody is talking, I was just wondering. That is good because I like to be listened to.

Conservative governments continually implement their agenda and find that it does not work, blame the workers for the problem, then move to take away their rights.

Manitoba has had, over the years, progressive labour legislation that has helped out the working people and the economy, social development and environment protection of our province. I am very disappointed that such a bill as Bill 70 has come to this Legislative Assembly. It is a very regressive bill and I would hope that the Progressive Conservative government would withdraw this bill and help out everyone, their friends included.

As the old saying goes, you can fool some of the people all of the time, all of the people some of the time, but you have a very hard time fooling all of the people all of the time. Another popular saying is, we shall remember. This statement is a very good statement that carries a very important significance to me, as it should to all people.

Remember, an election is not that far away. People will remember and they will not be fooled again as they were last September. They will not vote for a government that takes away their rights. Remember.

Thank you very much for your time. I would suggest that the present government do some serious thinking on all of my statements and reconsider their position on Bill 70 and withdraw it. Thank you.

Mr. Chairman: Thank you, Ken. I believe there might be a number of questions for you, Ken.

Mr. Leonard Evans: Thank you, Mr. Guilford, for the presentation and making your position very clear in opposition to the legislation. So there are a lot of questions I would not have to ask because I know exactly where he stands. But I was wanting to know from Mr. Guilford, do you see this as a threat to private sector unions as well? It is the public sector that is obviously directly affected by this, but can you see a spillover into the private sector?

Mr. Gullford: Yes, I can. Definitely. My city councillor, Chris Lorenc, is on record as supporting the MGEA, the Manitoba Government Employees' Association, and he also wants to do the same thing with CUPE, Canadian Union of Public Employees. Where I work, I am a member of Canadian Auto Workers, and I can see that same thing happening with us. Thank you.

Mr. Chairman: I would like to ask Mr. Guilford, is there a lot of discussion among your fellow workers about this legislation and what it means to the labour movement?

Mr. Gullford: They do not like it and they want it stopped. I speak as a private person here now, understand now.

Mr. Leonard Evans: Yes, just to clarify, you said you were with the automobile workers union, and you are talking about people and your fellow workers and yourself being in the private sector, not in the public sector.

Mr. Gullford: That is correct, and I speak more of the ones I am dealing with in Tyndall Park, but I am setting up this Tyndall Park residence association.

Mr. Leonard Evans: I will ask Mr. Guilford the question that I have asked some of the others. What do you think the impact of this legislation will have on the provincial economy?

Mr. Gullford: I have stated clearly in my remarks beforehand, I think this Bill 70 is the worst thing that has ever come to this Legislative Assembly. I remember the strike in 1919.

Mr. Leonard Evans: Thank you very much. That is all I have.

Mr. Lamoureux: I would like, first of all, to thank Mr. Guilford, a constituent of mine, for taking the time coming forward this evening to talk on such a very important bill. But, in his remarks, I do have a question regarding something with regard to the

Liberal Party. He talks about, that this is not a working people's agenda, but a Liberal-Conservative government agenda. I am wondering why he is of the opinion that it is a Liberal Party agenda, or part of a Liberal Party agenda?

Mr. Gullford: I am wondering, Kevin—Mr. Lamoureux, I am sorry. The question coming from you who is sitting with your buddies, the Conservatives. Now, we had a Canada Day celebration and this program—I was raking along with you—and this red program that came out, red I should say, nice colour but not for Canada Day, and your wire was on the back of you—

Mr. Chairman: Order, please. Mr. Guilford, I would like to remind you that we are dealing with Bill 70, and I hope that the questions will be relevant toward Bill 70 as well as the answers.

Mr. Gullford: I am sorry, Mr. Chairman.

Mr. Lamoureux: Mr. Chairperson, I am wondering if Mr. Guilford is aware of what in fact the Liberal Party's position is on Bill 70?

Mr. Gullford: Not 100 percent, Mr. Lamoureux. Can you elaborate please?

Mr. Chairman: This is not a time for questions, Mr. Guilford. He has asked you a question, and if you want to answer it, that is fine. If you do not, just state what you want.

Mr. Gullford: I can see where Mr. Lamoureux is sitting, so I am supposing and I am thinking it must be part of the Conservative agenda. They must agree with that in terms of where he is sitting.

Mr. Lamoureux: Mr. Chairperson, I do not want to get into any type of lengthy debate, but I can assure the member that I am not a Conservative when I sit beside the Conservatives during the committee meeting, just like I am not a New Democratic when I sit during Question Period alongside the New Democrats.

The Liberal Party's position opposes—we oppose Bill 70. We oppose it on two reasons. One is the whole collective bargaining issue, and the other is the freeze.

I would suggest to you that the party can represent the working-class people just as well as any other political party. I would offer that just more so as a comment to you, and I would be interested, maybe not at this point, but in the future to hear from you on it.

Mr. Gullford: That is very good, Kevin. I appreciate that because when I committed to the producer of Video Channel 11 and we had a town hall meeting on June 26—it is going to be broadcast on July 27, Saturday morning at 10:30. Coming from you, sir, a man who quotes Stanley Knowles, and I can see a little bit—I am wondering, I am foggy, I am confused, where are you? Where are the rest of the Liberal Party? I see you are alone. That is why you are with the Conservatives. I can understand that. That is okay.

Mr. Lamoureux: We only have one on the committee.

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

Mr. Gullford: Thank you.

Mr. Chairman: At this time we will now call No. 20, Don Yurechuk; 21, Annette Maloney. Ms. Maloney, do you have a written presentation.

* (2330)

Ms. Annette Maloney (Private Citizen): No, I do not.

Mr. Chairman: Then just carry on.

Ms. Maloney: I have come before you this evening as a former government employee—I actually was employed with the government for 20 years plus—and also as a citizen of this province.

The purpose of my being here is to go on record as being opposed to Bill 70. In my view, this bill is without merit to freezing wages of employees, and it also suspends all bargaining, and that includes all contract provisions as well, not to mention the erosion of some of the benefits that the employees work so hard for.

Further, it is a method of discredit of the public enterprise and public service and the role that they have played in the economy. I personally have found this approach by submitting a bill such as Bill 70, using such terminology which was used in the press release which, I think, is misleading. What it actually says is that, although it is talking about everyone must share in that goal, that it is asking the groups to participate. I hardly call this asking when you are putting this bill before them. By doing this, I believe you have removed a fundamental right of collective bargaining and any other avenues that are open by law. In my view, you will be well on your way to removing any recognition of self-esteem or self-worth for any of the employees, of your own employees. Also, I honestly believe that you have

endorsed a misconception that civil servants are overpaid, underworked, and secure in life and contemptuous of the public.

I have found this attitude, difficulty as an employee, when I was an employee, because it was going on then as well, and continue to find this difficult when I know how little credit is received and how insulting that is to put this when you care about what you do.

No one ever mentions the expertise and the quality of delivery of the public functions. No one also mentions the expectations of the delivery of quality that is now expected with a lot less staff. These employees are the employees who carry out the government policies for you. They take the flak for the decisions that they did not call, and accept the abuse of decisions that are made by elected officials, and also are quite loyal to you even when they do not agree.

Public sectors work and they pay taxes like anyone else and should not apologize for wanting to work for a decent wage. As government employees, past and present, they have accepted the approach of collective bargaining, but you have also hit them with a lot of extra in the past year, with the decentralization, contracting out and also the mass layoffs, not to mention some of the erosion of some of the legislation such as child care and now also with the centralization of Family Services Agencies.

To impose a major responsibility on public sector workers about deficit being out of control implies an indifference in the attitude of these employees. To expect that they should sit back and accept a legislation such as this also implies an indifference on what they think. I have not seen you or any other previous government in Manitoba put up with a lot of strikes from these people.

I also believe that it is hypocritical to have the leader of the government at this point and his cabinet ministers to go to greater lengths to use campaign footage, which has been done in the past, and statements that they will not interfere with collective bargaining, and also that they happen to care what happens to workers. Instead, let us make it clear that we have a leader and, I believe, the government of the day that change the rules midway in the game with no respect to democracy. When you look at the list of the effects and the implications of this legislation that can be changed, not by

coming back to the House, but by actual changes of the Order-in-Council, I think that has fairly great impact. In my view, I think you have worn thin any trust.

I really do not have a lot more to say. I believe that you should not take lightly the fact that there may be a lot of silence amongst government employees at this moment, but rest assured that that does not mean that there is not a lot of unrest and a lot of undercurrents. This bill must be defeated, and I would ask you to reconsider the approach and allow that democracy proceed. Thank you for your attention.

Mr. Leonard Evans: Thank you for the presentation, Ms. Maloney. I was not quite clear. You said you were formerly with the provincial government, you no longer—are you with any public sector union at the present time?

Ms. Maloney: Now I am working for the Manitoba Government Employees Association.

Mr. Leonard Evans: I see. I was just wondering if you could comment on the morale of employees from your knowledge and understanding of public sector workers, provincial civil servants in the province. Have you run into much conversation where people are expressing concern, and have you detected that morale is being negatively affected?

Ms. Maloney: Well, there is no question that there is a lot of unrest at this point. I think at the beginning I would have looked at it as a parallel to perhaps what happened after the election of the Conservatives under Sterling Lyon when there was some layoffs, but I think this has gone much greater than that. I mean, there were some long memories from that and rest assured I expect that will be one of the implications from what is occurring at this point, because it is not just Bill 70. I mean, this is sort of the final stroke because there have been the layoffs, there has been the decentralization and, quite frankly, there is no guarantee that there will not be more of that coming. So this bill, I think, has just been the final insult.

Mr. Leonard Evans: In effect, you are saying that workers in the provincial Civil Service are upset with the layoffs, the extensive layoffs that have occurred and that now this is coming down the line, that it is almost like the final straw, the proverbial straw.

* (2340)

Ms. Maloney: That is correct.

Mr. Leonard Evans: Mr. Chairman, I would like to ask if Ms. Maloney has any comment on how Manitoba wage levels in the public service compare with those outside of Manitoba?

Ms. Maloney: Well, the comparisons obviously are done and of course when they are at the collective bargaining sessions, they are advised as to what is going on across the provinces but I think, at this point, what is the more disconcerting point is the fact that they have not been allowed to proceed through bargaining. So I guess you have to say that they have been told that what you are worth is zero percent. So it is not a matter at this point of even saying well, look, let us continue bargaining and let us see what we can do at this point, and also continue to compare ourselves across from other provinces. That decision has been taken out of their hands along with this bill.

Mr. Leonard Evans: Do you think that this bill, if it goes through, would lead to lower efficiency in the public sector, generally?

Ms. Maloney: Well, I would think, having been an employee myself in government, that you are really always going to be trying to maintain that level that you have set of your own standards, but it is very difficult to do that when you have also had a cut of staff at the same time. So when you are becoming demoralized, I think it is unreasonable to expect them to maintain that same quality or same efficiency. I mean, it is bound to go at one point, but to say that they would take this defeatist attitude and that we would see an immediate downhill, I would not say that, but I think it would be unreasonable for us to expect that quality will not change.

Mr. Leonard Evans: There has been reference earlier to the sunset-clause approach limiting the legislation to a specific one year. Do you have any comment on this?

Ms. Maloney: I do not see it as being limited, simply because I know the changes can occur. I quite frankly do not see that as a comfort at all. That is the way that I would say the workers are seeing it as well.

Mr. Leonard Evans: So what you are saying is you are reflecting what the workers are saying, and that is the bill should be dropped and the government should return to the bargaining table.

Ms. Maloney: Let them go back to the bargaining table.

Mr. Leonard Evans: Thank you very much.

Mr. Chairman: No further questions? Thank you very much, Ms. Maloney. We will now carry on to No. 22, Mr. John Lang. Wade Cudmore, number 23; 24, Rick Panciera; 25, Bonnie Korzeniowski; 26, Jan Marie Graham; 27, Bruce Buckley? He is here. Do you have a written presentation, Mr. Buckley?

Mr. Bruce Buckley (Private Citizen): Sorry, I do not, Mr. Chairperson.

Mr. Chairman: Then just carry on, Mr. Buckley.

Mr. Buckley: Mr. Chairperson and members of the committee, I would like to thank you for this opportunity to come and speak on Bill 70. I am here to oppose the bill in principle, and I would urge the government to reconsider its course of action which this bill sets upon the province of Manitoba and withdraw it.

I am here tonight, not because I work for a union, which is the MGEA, or because I belong to a union. I am here because I feel this is bad legislation, and I feel that it is important as a citizen to speak out against it, to basically defend the principles of democracy which I hold fairly dearly, which I feel this bill treads on.

I think this legislation strays from the norm in our democracy and is a dangerous precedent. This bill takes power from the Legislature to be used by cabinet for the government of the day to have its way with the people who have placed their trust in this government at election time without the checks and balances of the Legislature. I speak specifically of Section 8, sub 2, 3 and 4 and Section 9 of the bill. I believe these sections breach the fundamental trust that the electorate has put in the Legislature to carry on the affairs of the province, and I think it crosses the line of what is acceptable in our democracy and needlessly takes away the rights of people to bargain collectively in a free and fair manner. I think it is fundamentally unfair to the workers that the bill is directed at.

Others in their presentations last night and this evening have dwelt on this aspect of the bill. I would like to spend my time before the committee tonight kind of talking to you about some of the people whose wages you have frozen, what they do for these wages, and how much they are paid for their efforts. This bill specifically writes in the St. Amant Centre for example, I assume because it gets the bulk of its funding through the Department of Family Services apart from the money that is raised by the community which supports the work of the centre.

For those of you who do not know the centre, it is a very special facility in Manitoba with very special workers who look after some very special children who are severely handicapped and require constant care. The workers who work at St. Amant are not what I would call high-priced civil servants. In my view, they are not overpaid for the work that they do, and they are certainly not underworked. Unfortunately, they are lumped in with the general view of the people who are directed at this bill as kind of overpaid and lazy. This is clearly not the case.

These people have dedicated their working life to the special care and the nurturing of children who are under their care, and I would like you to meet some of them tonight through me. I have taken the time to talk to some of the workers who are there, and I would like to kind of introduce you to a few of them.

For example, Maria is a personal care attendant at St. Amant. Her job is to look after the clothing needs of the children under her care. She washes the clothes, irons them, takes the children shopping to make sure that they have proper clothes, for those who do not have parents to look after them. She has been there for twenty years. She makes \$20,000 a year, and her wages are frozen. Her mortgage has gone up just like yours or mine. It has to be renewed. Her Hydro bills go up; the Autopac goes up, and she is paying GST like everyone else. She is carrying her share of the burden.

Kathy is a nurse's aide. She has been working at St. Amant Centre with the children for 10 years. Kathy's job is to work with the children, to wash them, to dress them, to motivate them, to feed them, to care for them. To look after children who are severely handicapped is very demanding, both emotionally and physically, for Kathy. She makes \$20,867 a year for her efforts. Kathy is pregnant with twins, and her husband has been laid off from his factory job due to free trade. After her mat leave, Kathy will be supporting her family on her frozen wages. Yet she is still there providing the continuing care to the special family at St. Amant.

Sandra is a feeding assistant. She has been working at St. Amant for the last four years. She is a sole support, an older woman who was abandoned by her husband a few years ago and is putting her life back together. Her job at St. Amant is to help the nurses and the nurses' aides feed the children and the infants who cannot feed

themselves due to their handicap. She makes \$12,000 a year and has the same expenses as you, Mr. Chairman, as have I. Yet her wages are frozen.

Sue is a part-time nurses' aide. She makes \$17,000 a year, works four days a week, and her goal is to try and get more hours to make up for the lost wages because her children, who are going to university, could not get a job this summer, so she will be trying to put extra effort to get those kids through.

Bertha is in the daycare. She makes \$21,000 a year, and she is ready to retire. She told me that she will have to work for another year in order that she can best provide for her retirement.

Generally, when I approached the people at St. Amant, I thought their main concern would be the fact that their wages were frozen and that they would be trying to make ends meet with less money, no increase for inflation, GST, et cetera. I was surprised actually to learn that was not their main concern. Their main concern was, what impact is this going to have on their ability to negotiate job security in the future, to protect themselves from contracting out so that they will have a job, and other issues which are not what I would call monetary and basically not self-centred. Their main concern was the attack that this bill has on their ability to bargain collectively and to negotiate with their employer for the future.

* (2350)

Basically, these people are frightened. They do not know what the government's intention is. The bill is very wide-reaching, and it is not clear what the intent is and where it ends, and how long it is going to be for. Those are some of the concerns that I found at St. Amant.

I have taken some time to let you know some of the people that I have worked with at St. Amant or that I know from St. Amant, and I ask the committee and the government to consider the impact these workers and their families are now faced with Bill 70 as they try and keep their households together, their families fed and clothed, and carry on to provide the care, the high level of care, to our society's special children.

I got a call from another person who I am acquainted with in another facility across town at the Sharon Home. Ted is an activity worker, and he works with the Alzheimer's victims at the home trying to bring some dignity to their lives and work

with them so that they could help deal with the position that they find themselves in. It is a very special job that Ted has and requires an inordinate amount of skill and patience. Ted makes \$20,000 a year as well, from which he feeds and clothes his spouse and his four children. Ted asked me to ask the committee to reconsider the freeze so at least his family can get some protection from the cost of living. He is not asking for the moon and neither are the people at St. Amant. They are asking to be able to negotiate basically a fair wage to combat the cost of living which we are all faced with.

Basically, why I am here tonight is to ask the committee and ask the Legislature to consider the burden and the jobs that the people that are working in the health care facility and the Civil Service, and other things—they are not highly paid people; they are doing very important jobs; they are essential jobs—and basically let you know the impact that this bill is having on those people or potentially will have on these people. I think it is incumbent on Legislatures when they are passing laws to be aware of the impact of these laws on the people that are being affected by them, and on the community as a whole.

I feel that this legislation betrays the trust that the people have put in the Legislature, and I would urge you to reconsider this legislation. It is bad legislation; it is unnecessarily heavy-handed; and it gives power to Cabinet which is unprecedented and a dangerous practice for Legislatures to engage in.

It is beyond a simple wage freeze. You are rolling back arbitrated settlements, and you are taking away rights which have been hard won. I would urge you to withdraw the bill. Thank you for your time.

Mr. Chairman: Thank you, Mr. Buckley. There are a number of questions, I believe.

Mr. Manness: Mr. Buckley, I do not discount any portion of your presentation. I say, though, you would be terribly outraged then if we had passed an Order-in-Council without even bringing forward a bill. Indeed, it occurred under Mr. Schreyer in 1975; then you would be completely outraged.

But, beyond that, a number of presenters tonight have made the point, and you did also, that we have broken faith with the people, that we did not honour our commitments. Other presenters particularly have said that during election time we did not say certain things. We did say one thing, though, during

election time: We said we would not increase taxes. And my observation is, Mr. Buckley, that when increases go forward, it is always the very same people whom you are talking about who always get hurt the most on the tax side. As a matter of fact, my predecessor, you may know him, Mr. Kostyra, brought in the tax on net income, and that attacked those very same people you were talking about. I do not make that as a political statement; the reality is it seems to be the way it is.

So we had a judgment call and that was, do we honour our commitment to the people not to increase taxes? Of course, to increase the deficit is nothing more than an increase in taxes. If it is not today, it is in the future.

So I ask you, what does a government do when it has no revenue, and it has made a commitment not to increase taxes? Inevitably, the increase in those taxes, whether they are corporate or otherwise, attacks the very same people you addressed in your presentation, and, believe me, I believe every one of your comments around those people to be true. What does a government do when it has absolutely no revenue growth, when it does not want to lay additional people off, when it wants to try and provide the services that people want? What choice does it have but to ask everybody to share? If you have another alternative, given that we had promised the people that we would not increase taxes, I would ask you to share it with me.

Mr. Buckley: Mr. Chairman, through you to my honourable friend the minister. First of all, I would like to address the comment about the Order-in-Council which, I assume, was brought in by the Schreyer government—it was before my time in Manitoba, I cannot comment on that specific bill. However, I would be equally outraged if a government did that as well, and to be fair to the government of the day at the time, I am not aware of the circumstances.

However, I would like to point out to you that I was in the work force in the AIB years; and, while it was not a pleasant process, there was an appeal mechanism. The union I worked for at the time did go to Ottawa, and there was an appeal mechanism where we could put our case to the AIB, the Anti-Inflation Board; and, if the cases merited, the board did allow some things.

The other thing I would point out with that whole anti-inflation exercise that the Liberal government

brought in and forced on the people of Canada, was that there was some element, although it was a very shabby one, of price controls as well. This bill—there is no appeal process to it, there is no attempt to control the prices or, for that matter, the increase in hydro costs or others that are being forced onto people.

With respect to the problem the government faces, and I am not unsympathetic to the problem that you do have, you claim your revenues are flat and that the revenue is not growing. Where is the given in the system? I would suggest to you that the flat tax, if you like, that was brought in by the previous government, did go some way to address the revenue problems that the province did have. Portions of that tax, I do believe, have been repealed or thence given back.

Mr. Manness: I have not repealed any part of it.

Mr. Buckley: Okay. The other suggestion I would have to you then has basically been raised by a number of other speakers—when you are looking at the tax system, or the revenue side of your budget, to make it fair, to make sure that everyone is paying their fair share. To do that, I think you will find that there are leakages in your system where people are not paying their way that could be tightened up.

I think your own department, with the sales tax, the fuel tax, could be probably more diligent to make sure that people are paying their way, and just generally when you are looking at your tax side of the equation, in conjunction with your federal counterparts—I know you do not have the powers that the federal government does have when it comes to taxation—that you fight using the resources of the province and your provincial counterparts to try and get a better deal on the revenue sharing formula.

Your federal cousin got himself a fairly big tax hit with the GST, a new revenue source, I would say. I do not know whether we are getting any revenue sharing from that or whether there is any inclination to assist the provinces that have been cut back on the transfer payments over the past two years, whether there is any inclination at the federal-provincial level to renegotiate or to review that additional revenue that the federal government has got. I am not sure. I do not know.

I would suggest that there may be an opportunity to relook at some of the federal-provincial formulas that we have got. I am not saying that you have not

tried, by the way, because I know the previous government did, as well. There are no magic formulas. I do not have an easy answer for you.

I guess the one comment I would make is that the government is asking its workers and the people who are paid from the public purse to share the burden, and I do not want to get into the political gutter. Be astute when you are making your decisions. Is it necessary to spend the money on The Pines project? Is it necessary to bring in the appointments that you are bringing in? All governments do it. Is it necessary? You have some control over that.

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Basically, your approach is to be fiscally responsible. I see the Minister of Education (Mr. Derkach) sitting here tonight. Bill 49 is a licence to go in debt for community colleges. I cannot believe that a government that is that concerned about expenditures would be letting go of control of the community college system like that bill does for you. I cannot believe it. Some bureaucrat has done a real job on you guys. It is nuts.

Mr. Leonard Evans: I thank Mr. Buckley for his interesting presentation. I would gather from your remarks then, you are saying that while you have many complaints with this legislation, basically you are telling the government that it is really not fair, it is not equitable because it is hurting, it is discriminating against one particular group in society, namely the public sector workers that you described in your comments, some of those individuals who are going to be negatively affected.

So basically what you see, there are different reasons for opposing this legislation, but one of them—is this correct?—one of the basic reasons why we should oppose it in the Legislature is because it is basically inequitable?

Mr. Buckley: Through you to the honourable member, that is correct. Basically you are asking people who are making \$20,000 a year to take no increase, yet like the government-employed doctors who have already negotiated their settlement, that is okay. There are other people who have not been frozen. It is not equal and, unfortunately, not everybody makes \$35,000 to \$40,000 a year. I mean, there are people who are working in the health care facilities and in your own Civil Service who are making less than \$20,000 a year. It is very difficult to freeze those wages when the input costs,

if you like, that people have to deal with are the same for the same people that are making \$35,000-\$40,000 a year.

There is no line. It might be one thing to take a look at the higher earning people in the public sector and negotiate maybe varying raises with people, zero for some and some for those at the lesser scale. Maybe that is the way to go. Unfortunately, this bill prevents that from happening. It stops collective bargaining. There is no way to equalize it, and this hits people making \$50,000 a year the same way it does people making \$20,000. That is not fair.

Mr. Leonard Evans: Nevertheless, I guess you would make the point, but I will ask you, that primarily you are concerned that it takes away the collective bargaining process which could have led possibly to a zero increase or very modest increase, and something that happened a few years ago where the MGEA took a zero increase but got job security in return for it. So there was something meaningful, but nevertheless did not put an upward pressure on government spending.

Mr. Buckley: Mr. Chairman, through you to the Honourable Mr. Evans, that is quite correct. I mean, unfortunately, Mr. Olien was here tonight and I guess, basically, kind of described the way collective bargaining went with this round with the Civil Service master agreement. There was no collective bargaining. The union—and I am not here speaking for the union—but in the past, the union has taken the government's fiscal situation into concern, has negotiated a zero, but in tradeoff for an additional week of holidays which could be handled from within or, for example, traded a zero for job security. Unfortunately, and I do not know whether it was deliberate or what, but the government's last offer was job security after the layoffs for a year. So it was kind of a nonoffer really.

I mean, that is the good thing about collective bargaining. People come to the table and the government puts its position forward, the union puts its position forward, and bargaining takes place, and they saw off at something we can live with. That is not going to happen here.

Mr. Leonard Evans: So ultimately I guess what I can take from what you have said is that Mr. Manness or the government really does not face the dilemma that he has posed. He posed a dilemma to you, but what should the government be doing?

I guess what you would say is go back to the bargaining table and see what happens.

Mr. Buckley: Mr. Chairperson, that is right. I mean, there was no collective bargaining this time around really. It was a sham. The government is saying to the people and to the union through its public press releases and through this bill, we have got a problem. Well, then come to the bargaining table and let us talk about your problem and see what we can do to deal with it. That is the way a private sector employer would deal with it; that is the way the government should deal with it.

I do not believe over the years that the MGEA and other unions have been unreasonable, and I also do not believe governments, be it an NDP government or a Conservative government, have given away the store. I mean, by and large, people are not irresponsible. I think in that spirit, in the spirit that we have had in the past in this province, collective bargaining should have been allowed to work. This bill is not necessary and goes well beyond a wage freeze.

Mr. Leonard Evans: In your discussions with specific employees or specific members of the union, specific public sector workers, do you get the impression that they are fully aware of what this legislation does, and have you detected any impact on the level of morale? I have asked these questions of others, but I would like to get your feelings on this.

Mr. Buckley: Mr. Chairperson, through you to Mr. Evans, to answer your question to the best of my ability, the people that I deal with, both in the health care sector and in the Civil Service, the reaction ranges from confusion to anger to fear to a lack of understanding of what they have done wrong, and why is this happening to me?

As for morale, the reason why I guess I chose to speak to the committee about some of the people I work with at the St. Amant Centre and in the health care field, is that the employees who are delivering the services for the government and looking after our vulnerable adults and vulnerable children are very dedicated people. They do not make a lot of money. They come to work. They work in some very, very difficult circumstances, both emotionally and physically. Is it affecting the morale? I think, to be fair, the people I represent and the people I work with in these places are very professional and they will soldier on, but the fear of the unknown, the fear

of the future—this bill is very wide open. It gives cabinet an incredible amount of power to interfere, to extend the freeze, if you like, or to extend the mandate of the bill. People do not know where it is going to end.

People want to be able to know that if it is going to be frozen for a year, I want to be able to go back to the bargaining table and strengthen my collective agreement to prevent contracting out of the food services, for example, at St. Amant Centre, so that I know I am going to have a job in the kitchen making my \$20,000 a year. That is what they want to know. They want to know what the future is going to be. Is this going to be just a one-year effort and things are going to go back to normal so we can have our rights back, or is cabinet going to take it upon itself to, if it looks like they are going to get an arbitrated settlement for 5 percent, extend the freeze? That is what people want to know.

As far as the morale goes, people who I represent and spoke about tonight will soldier on. They may not be happy, but they will soldier on.

Mr. Leonard Evans: I guess you have perhaps answered my next question which would have reference to the sunset clause. You are saying that is a possibility but that is not acceptable, and the real solution is to withdraw this bill and for the government to go back in good faith to the collective bargaining table.

Mr. Buckley: Mr. Chairperson, my understanding of the sunset clause only refers to the ability of cabinet to regulate. It says nothing about how long the bill is for. I do not believe that there is an end date to this bill. I could be wrong.

Mr. Leonard Evans: Thank you very much, Mr. Buckley.

Mr. Chairman: Any other questions for Mr. Buckley?

Point of Order

Mr. Leonard Evans: We have been here a considerable time. It is after midnight, and I think it is reasonable for the committee to cease deliberations for tonight after we have heard anyone here who wishes to present and cannot come back tomorrow night, or tomorrow morning rather. I am reminded of the Minister of Finance's (Mr. Manness) position which he made very strongly a couple of years ago, having walked out on a committee

because it was after 12, and he did not think it was that reasonable to go beyond.

I think it is a matter of being fair to people of the public who want to present, and I do not think we should necessarily keep people here to the small hours of the morning. I think it is reasonable to say to the people here, anyone who cannot come again tomorrow morning or whatever and wish to present tonight, that we should hear those and then just freeze the list that we have and carry on from there. I think it is a reasonable way to go, and I think we will be just as expeditious as if we sat here until four or five in the morning.

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Mr. Chairman: First, I would like to thank Mr. Buckley for his presentation. What is the will of the committee?

Mr. Manness: Mr. Chairman, I would like to call out the list. Everybody who is not here will have an opportunity again to present. A number of people, I believe, well in excess of 400 or 500, were asked to be in attendance either last night or tonight, and in the process that we have developed, the rules we have developed for our committee, I would like to call out the list, in the event that any of those individuals are here. And, furthermore, these committees quite often sit until late in the night; as a matter of fact the mental health bill, I believe, the other night sat until 3:30 in the morning. That is the tradition of these committees quite often. We have had a good hearing thus far; I think we can still have more productivity yet tonight in the sense of giving people an opportunity to make presentations. I would like to continue.

Mr. Chairman: Is it the will of the committee then that we continue along with the presentations?

Mr. Leonard Evans: Mr. Chairman, on this point of order, I guess.

Mr. Chairman: It is not a point of order, Mr. Evans. We are not debating at this time, just a discussion.

Mr. Leonard Evans: While it is fine for members of this committee to, if they wish, sit here until three or four in the morning, or whatever, that is fine, but I do not believe we should—I do not care which bill it is, which piece of legislation it is, I do not think it is fair to the public of Manitoba to ask them to come here in the middle of the night. It is just not fair. I mean, by God, if you want to give good government to people, you have to be reasonable with people, whether you are acting as an MLA or as a minister,

and I suggest that we hear anyone here who wants to present tonight. If they cannot come back tomorrow morning, they can be heard tonight, but if they can come tomorrow morning, then fine, why not hear them tomorrow morning? That is reasonable.

I know we have a lot of names on this, and I think we will be diligent and we will eventually get through them as a committee. I am not being unreasonable; in fact, I am asking the minister to be reasonable about this, and the members of the committee. Look, we can be here for many, many weeks if we want, but I think we are going along very reasonably, so let us get the message.

Mr. Manness: That is why I want to sit. We brought forward rules yesterday, Mr. Evans, I do not know if you were here, at which time we said we would not set a limitation on any of the presentations. Mr. Chairman, nothing can be fairer than that. When you are looking at 600 presentations—indeed, under a constitutional representation, there were 15-minute time limits—we have imposed no time limits.

Furthermore, the member says we have made good progress. Yes, we have. We have heard 14 presentations tonight. At that rate this committee will need to sit 30 days to hear the 600, and it is on that basis, and being fairer to the public, and not bringing in closure, and in the name of democracy, and in keeping with the traditions of this committee, which is sitting quite often beyond twelve o'clock, I insist that we continue the calling the roll in the event there are other presenters here. And, indeed, if they are not, those same people, by the rules we set yesterday, will have an opportunity to make a presentation tomorrow if they are not here tonight.

Floor Comments: Oh, oh.

Mr. Chairman: Just one moment, Mr. Evans.

I would like to remind the members of the public in attendance that the rules of decorum shall be carried forward tonight, please. There might be a little bit of debate going on at the table here and I know it is going to get emotional, but please try and allow the members here to carry on their debate in a fashion that is acceptable.

Mr. Leonard Evans: Mr. Chairman, when the Minister of Finance (Mr. Manness) walked out of the committee a couple of years ago at twelve o'clock—

Mr. Manness: No, 3:30 in the morning.

Mr. Leonard Evans: Well, you made the statement at twelve o'clock—

Mr. Chairman: Order, please. Mr. Evans has the floor at this time.

Mr. Leonard Evans: I had quite a bit of sympathy for his position because I have been a member here for 22 years, and I know we have done insane things. We have sat around 24 hours, if you can believe it, way back when. I never thought that this was the way to operate, and it is just inefficient and unreasonable. So I just want to be fair to the public, and I want to be fair to the people here. I do not think we should keep them here to the middle of the night, and those who want to present tonight, ask them and let them come forward, but if they can come tomorrow, okay, but freeze the list so that nobody loses their place on the list.

Mr. Manness: That is exactly what we are going to do. We are going to give everyone opportunity and the people who are not here will not be frozen out. They then will have an opportunity to come back. Nobody loses their right by not being here tonight, and that is why I would suggest that we call the list. As soon as we come to those who are here and have not presented, we will gladly entertain their representation.

Mr. Leonard Evans: The list as such, however, remains and the people can continue in the order that they are on this list. Is that correct?

Mr. Manness: Yes, Mr. Chairman. Naturally they will fall to the bottom of the list, and their names will come again in the same order that they stand now.

Mr. Lamoureux: Just for clarification, those who are here this evening who would like to be able to speak would be given the opportunity to speak. Otherwise, you will be reading through the list. No one will be dropped from sequence. In fact, we will read off 627 names.

In order to try and save time of the Chairperson from reading each and every name, would it maybe be more reasonable to ask if there is anyone else who would like to make their presentation this evening?

Mr. Manness: As long as this committee understands that by the rules that it adopted yesterday, by the rules it set for itself in the hearings on Bill 70, as long as it decides not to call those names, those names will have been deemed to have been called once—as long as that is fully

understood by members of the committee. That was the rule that it put into place for itself last night.

Mr. Leonard Evans: Mr. Chairman, my concern is that anyone of the public who wishes to be heard shall be heard, but also that we do not expect them to be here until three and four in the morning, and that we go along expeditiously and reasonably. I was concerned that some of the people here may be getting tired, and they may wish to return tomorrow. Why is that unreasonable?

* (0020)

Mr. Manness: Mr. Chairman, members, any individual who wants to come back tomorrow has every right to do so. All they have to do is exit this room. If their name is called once, that is fine. They will not lose their right. They will have the opportunity to come back up through the bottom of the list and be heard, indeed, when their name is called again. Those are the rules that the committee set for itself last night.

Mr. Leonard Evans: Just to expedite things then, I believe it was Mr. Lamoureux who suggested rather than reading all of these names, would it not be more expeditious to ask those who are here who wish to present now instead of tomorrow or whenever—would that not be more efficient than to read—I think that was what Kevin was suggesting.

Mr. Manness: If we started calling names five minutes ago when we started this debate, we would have been through to the next presenter by now, and that is all I ask this committee to do, indeed, as it said itself that it wanted to do last night when it struck the rules.

Mrs. Louise Dacquay (Seine River): I just think in the interest of time, we are wasting an awful lot of time. We have got a lot of people out there who, I am sure, some of them would like to have the opportunity to present. I would like to suggest that we proceed and we follow the rules that we established earlier.

I think it only fair that the guidelines were established—it is public knowledge—and that we not deviate from those rules and we continue to call the names and let those who are willing to present, present.

Mr. Chairman: Is it the will of the committee then that I continue to read the names and those who want to present, present?

Some Honourable Members: Agreed.

* (0020)

Mr. Chairman: Number 28, Anne Gregory. Do you have a written presentation?

Ms. Anne Gregory (Private Citizen): No, I do not.

Mr. Chairman: Just carry on, Ms. Gregory.

Ms. Gregory: Good evening, or good morning rather, to the Chair and members of the committee. I am appearing before you tonight as a private citizen to voice my opposition to Bill 70 because of what it does to collective bargaining.

As you know, my name is Anne Gregory, and I got my first job when I was 14 years old in this province. When I was 17, I got my first job in a unionized workplace. Now if that change had not taught me how important it is to be protected by a collective agreement, I have just had a crash refresher course. I just spent 14 months looking for a job after moving back to my home province.

It is amazing what working conditions employers are willing to impose on people, and I do not think it is just because the economy is bad and jobs are scarce. Fortunately, I now have secured a job in a unionized environment and I am very relieved. I know that with a collective agreement, any collective agreement, I am better off than I would be working without one. Sure, there are labour standards and there are labour laws, but they are bare minimums and in the 1990s they fall short of addressing what people really need.

In fact, it is the inadequacy of these laws that brought unions in to existence in the first place and that is why they still exist. When people need rights, they organize and they negotiate for them. Over time, we have even seen people get basic rights through their collective agreements before those rights became part of the law.

I am opposed to Bill 70 because it halts the steady progress that we have made protecting workers from abuse in the workplace, and it does this by blocking collective bargaining. For example, even in this century it was perfectly acceptable to employ child labourers. People worked six or seven days a week. They got less than subsistence wages. Often people worked in hazardous conditions. They had inadequate light or air and losing a limb was just part of a job. Then somewhere along the line people said, hey, this is dangerous, it is not worth it, in fact, it is downright unacceptable, and they stood up for their poor downtrodden collective selves and by gosh, collective bargaining was born.

(Mrs. Rosemary Vodrey, Acting Chairman, in the Chair)

As a society, way back then, people started to agree that workers had to have certain basic rights, and then laws reflecting this were passed. Of course, back then not everyone agreed that workers needed better working conditions. At the time, the people who employed the workers wailed at the thought of providing better working conditions—it would be the end of them, the cost would force them out of business, it would be the end of the economy, it would be the end of the world as we knew it. Yet despite their dire predictions, we all survived. In fact, we survived to look back at that time as the dark ages of commerce.

How could people have forced other people to work that way, we say? Oh, that could never happen now, we say, oh so very smugly. Actually, we are only half right. It is unlikely that we will regress to the point where we send children into coal mines with canaries for pennies a year, but Bill 70 does stop the steady progress that workers have made since labour got organized, when they stood up and demanded what were, at the time, extraordinary rights.

I would like everybody to pause right now and think about the many things that we now assume workers should have, things like a 40-hour work week and humane scheduling of the shifts; a living wage; overtime; vacation and sick leave; protection from capricious firing and layoff or discipline; protection from sexual harassment—I am not done—protection from working one day and being replaced by a machine the next; maternity leave, paternity leave; seniority rights; compassionate leave; access to employee assistance programs; medical and dental plans; long-term disability; employer-supported pensions. Just recently we have come to accept the notion that people need protection from the hazards of video display terminals. These are things that are now considered pretty basic rights.

So where did the idea first come from that these were basic rights? You can bet they did not come voluntarily from employers, and many of these things still are not covered fully by the law. People get protection of their rights from their collective agreements, and yet Bill 70 stops collective bargaining for tens of thousands of public sector employees, and if that was not enough, the bill as it stands, allows the government to increase the

number of groups affected and the length of time they are affected, no questions asked.

Bill 70 means that the century-old evolution of working people's basic human rights and working rights can be stopped dead for years in Manitoba, and even once Bill 70 has run its course we are never going to make up for the lost time.

So this will become the province that everybody points to and says, smugly: Oh, can you believe in Manitoba they still do such and such? That is the way we all felt about Vander Zalm and we will not be doing what everybody else is. Do you know what that is? I mean, you might think that, with the list that I just gave you, Manitoba workers already have everything they need. They do not need to bargain for anything else. Well, I suggest to you that things still are not perfect.

If Bill 70 becomes law, we can be the last province on the block where new rights are recognized. These are things like leave with pay for family responsibilities, job sharing, no discrimination on the basis of sexual orientation, workplace day care, procedures for safe passage home for workers with shifts that begin or end after dark, recruitment procedures that eliminate patronage appointments and hiring, improved severance rates, employer-supported RRSPs and portable pensions. How about entitlement to the federally legislated UIC parental leave, even when there is an employer-paid subplan?

These are just some of the things that Manitoba's public sector employees cannot bargain for if Bill 70 is passed, things that I think will be so accepted in the next few years that the next generation is going to scratch their heads and say, they fought battles over that? As for our generation, in the short term, it will not take long to fall behind, and we are not going to catch up. You can also be sure that, if the government is setting this kind of example, the private sector is going to follow. If this becomes the place where workers are denied basic rights, you can be pretty sure, at some point, they are going to stand up again, and they are going to take their education and skills and move somewhere where the authorities are more enlightened.

In other words, collective bargaining, the process is more than money; it is also about the right to reasonable working positions. You cannot justify this bill in terms of money because it leaves too many other issues unaddressed.

Finally, when you suspend collective bargaining, you are guilty of contract violation. As the employer of public sector workers, you have broken your side of all the contracts. You signed contracts of a certain duration saying that you would meet again to bargain when the agreement ended. By stopping the efforts to improve the work environment in Manitoba, you have also broken the social contract where we all work for the common wheel. That was Thomas Hobbes' idea, and if Thomas Hobbes were here, I think even he would comment about your government being nasty, brutish and express his own hopes that it would be short. Thank you for your time.

The Acting Chairman (Mrs. Vodrey): Thank you, Ms. Gregory. We will go to questions now.

Mr. Leonard Evans: Thank you very much for the interesting presentation. You made some comment about other matters besides wages, such as sexual harassment in the workplace and other nonmonetary questions that often are, well, always are or should be in today's world discussed in collective bargaining, all these various nonmonetary issues. How important do you think your fellow workers deem these to be as compared with the wage settlement side of it?

Ms. Gregory: My comments to Mr. Evans through the Chair would be that, when people sit down and think about their day-to-day life, they do not think about money necessarily. Money is important when you sit down to pay the bills, money is important when you get your taxes, but day to day, you have to feel like you are going to work and being treated like a human being, that you are safe, you are secure and that you are contributing. If you go in and your boss slaps your ass, you do not feel appreciated.

If you do not have a collective agreement, it is a really hard row to hoe to get protection and to get redress. As I said, there are labour laws that address some of the issues that I listed, and I willing acknowledge that, but I also acknowledge, from my own experience in a nonunionized workplace, that it is a heck of a lot easier to go after your rights when you are not doing it by yourself.

Mr. Leonard Evans: In effect, what you are saying, a lot of your fellow workers are concerned with this legislation because it infringes on the nonmonetary benefits, or nonmonetary issues that you have addressed or that you have made reference to.

Ms. Gregory: By way of example, in a unionized workplace, there is the mechanism of grievances. When the system breaks down and the collective agreement breaks down, either because one party or the other is not living up to their side of the agreement, you can try and resolve that through a grievance. It is a mechanism, and what you find when you have a mechanism—if I may continue, Madam Chair?

The Acting Chairman (Mrs. Vodrey): Please go ahead, Ms. Gregory.

Ms. Gregory: Thank you. You use the grievance process to resolve conflict and to resolve problems, and the role that the grievance process plays is that when you come around time to bargain, you know where the problems lie with your collective agreement. You use bargaining to address those. That is one of the reasons that collective agreements have time limits on them, so that you work through it, and nothing is perfect, you find out where some of the flaws are, you find out what works and what does not for both parties, and you sit down and try to resolve it.

I have been in workplaces where the manager has said to me, I want to do it this way. I have had to say to the manager, that is unfortunate because you do not have that latitude in the collective agreement. The manager has said to me, well, then how do I do it? I have said to the manager, take it to the table. I have got experience with managers who want to bargain too, and legislation like this puts them in a difficult position too because they cannot achieve what they need to achieve to get their job done, because the rules do not work for them for whatever reason. If you blow collective bargaining out of the process, you cannot improve.

* (0030)

Mr. Leonard Evans: Ms. Gregory, in discussions with people in the public sector, has there been much talk about simply quitting, leaving the government service because of this legislation, or consideration of leaving the government service because of this legislation?

Ms. Gregory: In a word, yes. People who are just deciding it is not worth it anymore. I talked to my friends and they have spent the last three years as a term employee, a temporary this and a casual that waiting for some kind of assurance from the employer that they are going to get a real job.

They get flak in the public because they are overpaid and underworked, supposedly, and they just think: Okay, I am not getting paid; I am not going to get any back pay now because of Bill 70; I get abuse, no one recognizes what I do and I cannot get any commitment from my employer that I am going to have a job next fiscal year; and I just watch the guy next door to me get laid off and gosh, I am one up from him in seniority. They are saying, maybe I should go start my own company. Maybe I should take my skills and go somewhere else. Maybe I should go back to school. Maybe I should go to Europe. They are looking at all sorts of alternatives because going to work does not seem worth it anymore.

Mr. Leonard Evans: What about morale? I gather, I mean the ultimate is to just leave, but then there is another element, and that is lower morale where people have lost their enthusiasm.

Earlier this evening we heard from a presenter who is with, I believe, the Manitoba Telephone System, and he talked about the importance of good morale to have good efficiency, to have good productivity. I know the public sector is very broad, and there are so many categories and so many types of occupations and so many components, but nevertheless, I do not care which side, I would suggest, and I should ask you the question. This would likely lead to more to the lowering of efficiency in that particular section.

Ms. Gregory: I find it difficult to disagree with anything that you have proposed just now or anything that was said by any of the earlier presenters. It follows. Everything that I just stated and everything that I have outlined in my comments all point to a bottom line of being content at work.

I am sorry to introduce this, but there is the old expression: the happy worker is a productive worker. If there is no incentive to work because it is not going to get you anywhere—you can work as hard as you want, you are not going to get a merit increase, you are not going to get a raise, you are not going to get any more vacation, you are not going to get a promotion—what is the point? You go in at one minute to, and leave on the dot. You will take every minute of your coffee break. You will take every minute of your lunch, and you are not going to do anything extra.

I am sure that, in committees and meeting rooms, this government has sat down with all levels of its

employees and said, we have to get people working harder; we have to get people producing more for less. Well, it is pretty hard to go to somebody who has just been told, forget it, you cannot bargain; you cannot improve your lot in life, but come in anyway and do a good job. If you go to them and say, okay, you work on the ground floor; from everything you do day to day, where can we cut corners, where are we wasting time, where are we wasting resources? You are going to say, well, what is in it for me? They will take that knowledge, and they will keep it to themselves. You are not going to be able to get them to give you anything extra.

In the economic times that we face, I think the Minister of Finance (Mr. Manness) would dearly love people to come forward and give him some choices, give him some tips on how to save money and resources, and do all the things that he says he wants to do, but he is not creating an environment where people are going to come forward and share their knowledge and their experience with him because he is not doing anything for them. If anything, he is making it worse for them.

Mr. Bob Rose (Turtle Mountain): Madam Acting Chairman, very quickly, I want to go back to something you were saying a few moments ago, and perhaps—

Ms. Gregory: I am sorry, Madam Acting Chair, I am having difficulty hearing the member.

Mr. Rose: Is my mike on? Madam Acting Chairman, I want to go back to what you were saying a few moments ago. Perhaps I am not understanding this correctly. What in Bill 70, for example, denies you the right to grieve?

Ms. Gregory: That was not the thrust of my comments, if the member will allow. What I was saying is that, through the grievance process in a unionized workplace, you find out where the problems are with an existing collective agreement. The grievance procedure allows you a limited mechanism for dealing with those things on a day-to-day basis, but through the grievance process, you find out where the problems are for both parties. Then, when you have an opportunity to bargain, if you have an opportunity to bargain, you can take those problems and resolve them with better language.

Mr. Rose: Is that process not still there? That is my question. You seem to be suggesting—

Ms. Gregory: No, I am not suggesting—

The Acting Chairman (Mrs. Vodrey): Excuse me, Ms. Gregory.

Mr. Rose: You seem to be suggesting it by understanding it that Bill 70 is doing away with all of these things, and as I understand Bill 70, it does none of that, that you still have the right to grieve, you still have the right to negotiate these types of things. Am I misunderstanding the bill, or am I misunderstanding you?

Ms. Gregory: You are misunderstanding something. I did not represent to this committee that the right to grieve is in any way compromised, unless you are in a unionized workplace where there is no grievance, because then you cannot go forward and negotiate the right to have a grievance procedure. What I said was, and I will repeat, and please question me if you do not follow me, you use the grievance procedure to find out where the problems are. What you do with that information is take it to bargaining so that both sides can avoid the grievance procedure, which can be very disruptive in a workplace, very upsetting to managers and very upsetting to employees.

You can take the benefit of that experience and then resolve where the problem came up, because you have vague language in a collective agreement or something in the workplace has changed and the language no longer meets the needs of the workplace for the workers or the management. Then you bargain, and you come up with language that is more appropriate so that you no longer have to use the grievance procedure, because the problem has been resolved. I hope that clears it up for you.

Mr. Rose: Thank you. I do not disagree with anything you have said, but I still do not know what is in Bill 70 to prevent that procedure from taking place.

The Acting Chairman (Mrs. Vodrey): Ms. Gregory -(interjection)- I beg your pardon. Mr. Rose, to finish your question.

Mr. Rose: Sorry, Madam Acting Chairman. We are talking about Bill 70 tonight. That is the purpose of this committee meeting and all the presentations.

Ms. Gregory: I do not think I have deviated from that, Madam Acting Chair. I am not sure which procedure it was that the member was referring to when he asked me about procedure in his last question. Are you referring to the grievance procedure or the bargaining procedure, please?

Mr. Rose: Grievance, as it leads to the bargaining procedure.

Ms. Gregory: If you are not allowed to bargain, you cannot resolve problems that may be identified by the grievance procedure. I am not suggesting, unless you are in a workplace where you are not allowed to launch a grievance, that you cannot grieve. I am suggesting that having grieved and identified problems you cannot resolve those problems at bargaining because Bill 70 prevents you from bargaining. I am sorry if I am seeming disrespectful, but I am becoming frustrated.

Mr. Leonard Evans: I was just wondering, in your area of work, how do the wages compare, say, with—it may be difficult for you to answer this question. How do they compare, say, with some of the other provinces or some other areas?

Ms. Gregory: I have lived in Manitoba, Nova Scotia, the Northwest Territories and Ontario. In each of those areas I have worked in a unionized workplace. In two of them, Manitoba and Nova Scotia, I have worked in a nonunionized workplace as well. I can say categorically that, when I was covered by a collective agreement, not only did I have higher wages, I also had other benefits: vacation, et cetera, sometimes dental, that sort of thing, and professional development opportunities, training, education.

I can say that in the Northwest Territories unionized workers, in the main, received higher wages and also had entrenched rights to things like residence allowances, paid vacation leave where they got to go south if they were hired from the South, once or twice a year. They had their medical expenses covered if they had to be medivacked to the South for care if anyone in their family had to be. There was coverage for escorts, someone in their family to attend if someone had to be taken down—just to give you a sense.

* (0040)

I feel when I started working in Manitoba we were doing quite well in our minimum wage and indeed our unionized wages which reflected a step or two or three or sometimes more above the minimum. We were doing quite well. I am not sure that is still the case. I certainly feel with legislation like this we are very likely to fall behind. Although that was not the thrust of my comments, the thrust of my comments was collective bargaining, and I deliberately stayed away from the wage issue,

because I feel that others are addressing that and I wanted to address my particular primary concern.

I feel basically what I said for collective bargaining, that we are going to all behind can also be said to apply for wages, just because if everyone else moves ahead and we do not—it is math.

Mr. Leonard Evans: I have asked others about the sunset clause. Are you familiar with that suggestion, that the legislation be limited to, say, a one-year time frame, because there is some concern that could go on for years?

Ms. Gregory: No disrespect to the committee, but I feel that I attempted to cover that in my comments. I feel quite strongly that it is an ongoing process that has been continual for a number of years. Any break in that is a concern, whether that be six months, a year, two years, three years, four years. My reading of the bill says that, yes, this particular legislation does have a sunset clause. However, my reading of the government is, there is no reason they would not bring in Bill 70, the sequel, in a future session, which would simply renew, carry through without amendment or whatever, the provisions of this bill, just as they have asked the public sector employees to do with their collective agreements—no change, boom, it is rolled over for another year.

Mr. Leonard Evans: At any rate, you are obviously saying and you are appealing to the committee, you are appealing to the government, that this legislation, because it is so negative on the work force and has other negative implications that it should be withdrawn and the government should go back to the bargaining table and bargain in good faith with the public sector.

Ms. Gregory: Madam Acting Chair, you could put it that way. I think to sort of follow through with your summation of my feelings on this, I do think it is very important that people participate in the committee process honestly. It is difficult, given that Canadian democracy has evolved to such a point where its people are very compelled, no matter what their intentions are, to follow their party line, and it is very difficult for an individual member of a caucus to take a stand against caucus, no matter how strongly they feel about an issue.

We do live in a province where the government, which has put forward this bill, has a majority, if everyone shows up and everyone votes. I have to admit a sense of frustration coming to the committee

process, although I feel that it is really important to come and say my piece and tell you how I feel, that when the day of reckoning comes, everyone will go the House and they will sit in the chair that is assigned to them, and the pressures that are tantamount will prevail. The people who sit on one side of the House will feel compelled to vote one way, and people who sit on the other side of the House will feel compelled to vote the other way. So no matter what we come and say at committee, no matter what minds we actually sway, when it comes time to vote, some people may not be able to vote with their hearts and their conscience.

Mr. Leonard Evans: At any rate, you are trying to persuade the members of this committee, all parties, and you are hoping the message gets through, but you are not very hopeful that will be the case.

Ms. Gregory: I think that is fair. My message is that I would strongly encourage anyone who has got the heart—because I have devoted a lot of my time in the workplace and outside of the workplace.

I have served on the executives as an officer of every bargaining unit I have ever been a member of. I feel that it is very important to make unions work. I say that because I find that when they work, both sides sit down at the table, both sides have a dialogue, and management is able to accomplish what they need a heck of a lot more easily, and the workers are able to get what they want a heck of a lot more easily.

If you make that sort of dialogue illegal, the whole thing breaks down. I have fought for those rights that I have listed here for you tonight, and I will continue to fight for the ones that were on the second list, because I think that they are really important.

I do not want to be the one who, I do not know, when the class of 2025 sits down and reads their history textbooks and goes, oh God, I cannot believe they did that. I would really like to be the one in there who says, gee, they finally got that, good for them, you know? Can you imagine that it took till 1992 to get that? Gee, job sharing, they should have figured that out a long time ago that that works.

Mr. Leonard Evans: Thank you very much.

(Mr. Chairman in the Chair)

Mr. Chairman: Any further questions of the committee? If not, thank you very much.

Ms. Gregory: Thank you, Mr. Chairman.

Mr. Chairman: Number 29, Grant Rodgers; 30, Harold Thwaites.

Point of Order

Mr. Ashton: Mr. Chairperson, yesterday we began the committee proceedings. After some discussion on the process, with some disagreement but with consensus on some items, we had I thought come to a method of practice with notice from the government that we might be sitting late. Yesterday, we went through the list and at close to midnight, which one might normally consider a normal adjournment hour in this Legislature, we had asked individuals wishing to make presentations to identify themselves, which we did. We then sat to 1:25 and heard all those who had waited throughout the night and wished to make presentations, who did not wish to come back other evenings.

I would, on a point of order, Mr. Chairperson, say that I do not feel that we are following that practice tonight, and I feel that is unreasonable on the part of the government in the sense that, to my mind, anyone who is further down the list would have logically, after yesterday when we completed I believe about 10 presentations, have concluded that if they had not spoken tonight—in fact, there were people here earlier who sat through the proceedings and logically would have concluded they would have been further down the line.

Mr. Chairperson, I do not believe it is reasonable to be going through this farce of a process at quarter to one running down, when you have many working people making presentations, wishing to make presentations, running through this list as if we are seriously expecting that five hundred and—well, I do not know how many it is now—625 people should have to sit here. We had 10 presentations yesterday. That would mean that there will be 62 committee hearings, and that would mean they would have to sit here through a full 62 committee hearings before possibly being called, if they were No. 620, including hearings that go until one, two, three in the morning.

I think it is reasonable to expect members of the public will wait a considerable period of time, but I do not believe it is reasonable to run through the list, as we are now, past midnight. The logical thing to do is what we did yesterday, Mr. Chairperson, which is to ask those who are present and wish to make presentations to make those presentations. I believe we can accommodate them. There are a

number of people I know at the back on the list have indicated they wish to make their presentations tonight. I would suggest we find out how many people there are, deal with those presentations and adjourn for the night, rather than go through what I believe is becoming something of a farce in terms of the process, and was not the process we followed yesterday.

Mr. Chairman: Mr. Ashton, just to bring you up to speed, we have already dealt with this issue at approximately 12 midnight, and you were not here at the time when we dealt with it.

Mr. Ashton: Mr. Chairperson, I am raising it again at quarter to one, because if people who did not realize how ridiculous this is at quarter to one in the morning to expect 610 Manitobans, whatever number remaining on the list, to still be sitting there and risk losing their right to speak because of the motion introduced yesterday by the government which only gives them one more opportunity if it is called—

Mr. Manness: Only one more.

Mr. Ashton: Well, the minister says only one more. The other opportunity might be when—three in the morning, some other evening? I do not think that is reasonable, Mr. Chairperson. If the government wishes to put limits on the ability of presenters to make presentations to this committee, let us have that on the table, but let us not do it through this back door method of going through the farce of calling names of working people at quarter to one in the morning and assuming that they should be sitting here.

* (0050)

I think it is only fair and logical that this committee, if it is going to sit any time after midnight, do so with those people who are present and willing to make presentations and thereby assure that the other people who are on the list get fair opportunity to make that presentation, Mr. Chairperson. This is not a fair and proper process.

The rule we attacked yesterday which limits the number of times the people will be called and then be dropped from the list is not the procedure we have followed with other committees. The minister knows that. It is a new provision that has been put in place in this particular case in an attempt to deal with the fact there are 625 presenters. If the government is so concerned about restricting presentations, why do they not just tell people

instead of having this process of where they are on a list and having their name called at ten to one in the morning and then having one more opportunity before they will be able to speak.

We can sit here all night, if necessary. I am sure the presenters who are here are willing to sit here all night. We are certainly willing to sit here all night, Mr. Chairperson, in terms of questions. I do not feel this is a fair process for the people of Manitoba. I will raise it at quarter to two, quarter to three, quarter to four in the morning. I am raising it now in the hope that there will be some sanity in the committee.

I would suggest that those who are here tonight willing to make presentations, be allowed to do so, Mr. Chairperson, and that we not go through this process of calling the list after midnight. That is not fair.

Mr. Chairman: Mr. Ashton, you do not have a point of order, and this issue has already been dealt with, as I had stated earlier. We will now continue on.

* * *

Mr. Ashton: Mr. Chairperson, I do have a point of procedure, and I will move—

Mr. Chairman: Order, please. Mr. Ashton, as you are aware, you are no longer a member of this committee this evening. You cannot move any motions.

Mr. Ashton: Mr. Chairperson, believe you me, if you want to deal with things in this way to the government—

Mr. Manness: Let us deal with the presenters.

Mr. Ashton: Well, Mr. Chairperson, the minister says let us deal with the presenters.

Mr. Chairman: Order, please.

Mr. Ashton: Now let us not make a mockery out of the public hearing process in Manitoba, Mr. Chair.

Mr. Manness: We are doing it the way that this committee decided it was going to do it.

Mr. Ashton: This committee decided yesterday at twelve o'clock to freeze the list, so as not to go through the farce of calling the list—

Mr. Manness: That was yesterday.

Mr. Ashton: That was yesterday. This is today. God knows what is going to happen tomorrow, Mr. Chairperson.

Mr. Manness: The committee has rules, and it is going to follow them.

Mr. Ashton: The committee does not have rules. It has a government majority, which is making a mockery out of the public hearing process.

Mr. Chairman: Order, please.

Mr. Leonard Evans: Mr. Chair, as a member of this committee, I move that this committee adjourn after hearing those persons who are present and wish to present and cannot return after tonight and that the list of presenters be frozen.

Mr. Chairman: It has been moved by Mr. Evans that the committee adjourn after hearing those persons who are present and cannot return after tonight and that the list of presenters be frozen. This is a debatable motion.

Mr. Leonard Evans: I think the motion is self-explanatory. It is a reasonable motion that those people who are here and wish to present tonight be given an opportunity but that we call it at that. We do not, as the member for Thompson very well explained, go through a farce of going through the entire list. I think that is a reasonable procedure.

We can be here for many weeks, for many months. I think people are trying to be reasonable in the opposition. I think it is only fair to people, particularly those who have to work in the morning, who feel very strongly about this. They are not paid to come here and make these representations, nevertheless, they are here. I think it is only fair that we limit our proceedings in this way so they can come back in the morning, or whenever, and be fresh and the committee can be fresh and hear the presentations at that time.

Hon. Leonard Derkach (Minister of Education and Training): Mr. Chairman, I feel we have been around this several times now. The member for Brandon East, Mr. Evans, has raised this about an hour ago. I thought we had settled that we would hear those who are here and we would go through the names and allow those people to present. We have wasted another 20 minutes through this process. I feel it is time we allowed the people who are here to get on with their presentations so they can be heard. This charade seems to be going too far. I think we are not paying attention to our duties and allowing those people to speak.

Mr. Hickeys: I would like to agree with the Minister of Education and Training. He calls this a charade, because if you go through the list tonight each

individual has two chances to speak. If 201 is called and not here tonight, they have one more chance.

The majority of these presenters are working individuals. If they are at work during the day tomorrow when we have hearings from 10 to 12 tomorrow morning, if they are called for the second time, they have lost their chance. That is why we are saying, if we hear the people here and freeze the list, at least if their names are called tomorrow morning they can come here tomorrow evening to give their presentation. If we allow them to lose that first chance and if they are working they lose their second chance, that is not democracy to me.

Mr. Leonard Evans: On a point of procedure or whatever, I wonder if the committee could take a two-minute recess or a five-minute recess so that the official House leader and the government House leader can discuss this further.

Mr. Chairman: We will take a recess till approximately five after one to give our House leaders an opportunity to discuss this issue.

* * *

The committee took recess at 12:57 a.m.

After Recess

The committee resumed at 1:05 a.m.

Mr. Chairman: Order, please. It has been moved by Mr. Evans that the committee adjourn after hearing those persons who are present and cannot return after tonight and that the list of presenters be frozen.

Is the committee ready for the question?

An Honourable Member: Question.

Mr. Chairman: All those in favour of the motion, say yea.

Some Honourable Members: Yea.

Mr. Chairman: All those opposed to the motion, say nay.

Some Honourable Members: Nay.

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

Mr. Leonard Evans: A recorded vote.

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

Yeas 4, Nays 6

Mr. Chairman: The motion is defeated.

We will now carry on with the list as previously agreed. No. 31, Mr. David Fleury? No. 32, Shirley Lord? Do you have a written presentation, Ms. Lord?

Ms. Shirley Lord (Private Citizen): No.

Mr. Chairman: Just carry on then.

Ms. Lord: I do not know whether I should begin by thanking you for the opportunity to speak tonight to this committee. I am a person who works for wages. That means, I worked all day today and I have to work all day tomorrow. I have always believed that my part of the collective bargaining contract was that I gave a fair day's work for a fair day's wages.

I can be thankful that my employer respects the right to collective bargain and will respect the right that I chose to exercise tonight to stay to make this presentation, because there is no question that if I had left and my name was called and then it was called again tomorrow at 10 while I was at work, I would not have had an opportunity to make this presentation.

I guess I should not be astounded at all about the majority decision made on this issue. It is consistent with the practices of the government of the day on every issue that exercises—

Mr. Chairman: Order, please.

* (0110)

Point of Order

Mrs. Dacquay: Mr. Chairman, on a point of order, I would like to suggest that perhaps the presenter is not aware of the rules and procedures practised in committee and that her presentation should be dealing exclusively with the bill and not the motion that we previously voted on.

Mr. Ashton: Mr. Chairperson, we have a tradition in these committees, and that is that we try and give members of the public full leeway to present on aspects of the bill and the process. The process is as much a part of the bill as the clauses and subsections of the bill. There have been many occasions when people have commented on that process.

I would suggest we hear the presenter, who I believe is being quite to the point, quite relevant.

Mr. Chairman: The honourable member Mrs. Dacquay did have a point of order. I have been allowing a fair bit of leeway throughout these committee meetings as far as the presenters have

been going. I would ask, though, that we try and keep it as short as possible when we are drifting away from the bill and try and stay relevant if possible.

* * *

Ms. Lord: I believe that my comments are consistent with the bill. The bill deals with the fundamental right of collective bargaining, and I was talking about my having to work for wages and having to be at work tomorrow and yet being forced to stay here tonight well past the hour of midnight.

I should indicate that when the clerk phoned me and indicated that I was No. 57 on the list, they did not indicate that I had to be there the first night. They indicated that I probably would not get on for a couple of evenings. If they indicated that to me, they probably indicated that to a number of people who have asked to make presentations.

Anyway, I will begin. I am a private citizen, but I have been actively involved for 20-plus years in all aspects of the political process. It began when I joined the City of Winnipeg as an employee and got involved in my union and then got involved in municipal, provincial and federal politics and a number of nonpartisan political issues. I have over the years made various presentations on a number of issues, but no presentation has been more difficult for me, and no issue has given me greater concern.

Last night when I was driving down to the presentations, I heard on the news a story about those people—an issue that happened in El Salvador that was attributed to the people in power where a human rights activist was murdered and his partner mutilated and raped. That is about all this government has stopped short of.

I want to talk about Bill 70, but tonight I am not going to be speaking about the aspects of the wage freeze in Bill 70. Many speakers before me, many speakers after me will speak on that particular aspect of the issue. They will speak far more eloquently than me, I am sure. I want to talk about the fundamental principles in Bill 70. This Committee on Industrial Relations is a myth. This government is committed to destroying industrial relations in the province of Manitoba. The Concise Oxford Dictionary defines relations as, and I quote: kind of connection or correspondent or a contrast or feeling that prevails between persons or things.

Gary Filmon and the Tory members of this committee and the rest of the Tory caucus have demonstrated that they have no feelings that prevail between them and the working people or, for that matter, the majority of Manitobans, unless you would consider absolute contempt for the people who you govern and the contempt that most Manitobans have come to feel for you as some kind of relationship that you or any government can be proud of.

This committee would better be called the committee to end Manitoba's industrial relations. The motions last night to hold committee hearings outside of Winnipeg and to provide for every opportunity for presentations to be made by individuals allowing all citizens the opportunity to have input into decisions that affect their lives were defeated by the Conservative members of this committee is not surprising to me.

Again and again we have seen this government's total disregard for the wants and desires of Manitobans. When several thousand people crowded into this Legislature on a minus-40-degree winter day demanding fairer funding for the public school system, the Filmon government increased funding to private schools significantly and gave absolutely no increase to the largest public school division in this province. With the stroke of a pen this Tory government eliminated the decentralized Child and Family Services that was created as a result—

Mr. Chairman: Order, please. Ms. Lord, you are drifting a little far away from Bill 70. I would appreciate it if you would try to come back a little bit.

Ms. Lord: I am trying to draw an analysis between Bill 70 and every piece of legislation this government has brought in or is bringing in.

Mr. Chairman: Ms. Lord, you are to be addressing Bill 70 and not all the other legislations that are before the House. I will ask you to please be relevant to the bill.

Point of Order

Mr. Leonard Evans: Mr. Chairman, on a point of order or point of observation—

An Honourable Member: No, there is no such thing.

Mr. Leonard Evans: Oh, well, a point of order. I have been listening very carefully to Ms. Lord. I can see a direct parallel. She is making a case. If you

have been listening to her very carefully, you will see it is very relevant. What she is saying is extremely relevant.

Mr. Chairman: Mr. Evans, you did not have a point of order. Thank you, very much. That was a dispute over the facts, I guess.

* * *

Mr. Chairman: Ms. Lord, continue please.

Ms. Lord: Just to clarify so that the Conservative members who seem to have some problem in understanding collective bargaining, I will draw the analysis between citizens' input into decision making and Bill 70 by drawing an analysis between the rest of the legislation this province has brought in.

With the stroke of a pen this Tory government eliminated the decentralized Child and Family Services that was created as a result of extensive public hearings in the early '80s—

Mr. Chairman: Order, please. Ms. Lord, I think I have asked you a couple of times now. This has nothing to do with the Child and Family Services agency or any of the rest of it. We are dealing with Bill 70 which is the free collective bargaining. The title of the bill is The Public Sector Compensation Management Act. If you could relate yourself to that, I would appreciate it.

Point of Order

Mr. Ashton: Mr. Chairperson, relevance is in the eye or, perhaps in this case, the ear of the beholder. I have sat through 10 years of these committees. I know it is difficult at 1:20 in the morning to perhaps see relevancy in your own view of things. If it is relevant to the presenter, our tradition in this House has been that we listen to the presenter, and we make our own judgments beyond that.

I am not challenging the Chair. I am just suggesting if we were to listen to the presenters who are here tonight—and I understand there are still five or six—and perhaps listen patiently, in fact, we might expedite the process rather than bog ourselves down with points of order.

With 625 presenters, if we want to start discussing what is relevant and what is not, we could be here for a considerable period of time, something I have no difficulty with, Mr. Chairperson, but there are some members of the committee who obviously

want to finish before the year and a half time period that you mentioned yesterday. I am just suggesting that perhaps we can proceed and, with your admonition, perhaps not overly worry about relevancy at 1:20 in the morning. I do not know if anything is quite relevant at 1:20 in the morning, quite frankly.

* (0120)

Mr. Chairman: Mr. Ashton, as you are aware, you do not have a point of order. I have almost taken this as reflecting on the Chair. I hope that is not what you are doing at this time of the evening, at 1:20 in the morning.

I have heard different debates, Mr. Ashton. I have been chairing a number of committees since I have gotten here. I can understand and decipher between what is relevant and what is not.

* * *

Mr. Chairman: I would ask the presenter to please be relevant—

Mr. Ashton: You can also take advice about accusing members of challenging the Chair.

Ms. Lord: I will continue to try and draw the analysis between citizen input into decision making in Bill 70 and the attitude of this government to citizen input into decision making.

Bill 68 that is before this Legislature now, the bill to reduce the size of City Council, is clearly designed as an attack on a City Council that at one time was dominated by many of the present government caucus and has, over the past two years, been much more receptive to the wants and desires of the citizens of Winnipeg. This bill is designed to ensure that citizens in Winnipeg have less and less say about their city. It is going forward without regard for the fact—

Mr. Chairman: Order, please. Ms. Lord, I mean now you are dealing directly with Bill 68 at this time. You have to be passing near Bill 70 for me to say that it is relevant. I have been allowing an awful lot of leeway, but I cannot allow you to be discussing the other bills. I am sorry—if you could please bring it back to Bill 70, The Public Sector Compensation Act.

Ms. Lord: I am drawing the analysis between Bill 68 and Bill 70. This bill is designed to ensure that the citizens in Winnipeg have less and less say about their city. It is going forward without regard

for the fact that during the Cherniack hearings, and again during the recent Winnipeg Wards Review Committee hearings, presentation after presentation demanded increased citizen participation and—

Mr. Chairman: Order, please; order, please. Ms. Lord, I cannot allow you to be discussing the other bills when we are dealing with Bill 70, and it is as simple as that. I will ask you one final time to please deal with and be relevant to Bill 70. Thank you very much.

Ms. Lord: I am trying to convey an analysis of the decisions that are contained in the various bills with the decisions in Bill 70. I am trying to convey a comparison between what I believe will happen with citizen participation in Bill 70.

May I continue?

Mr. Chairman: You have got me, Ms. Lord, because this has never happened to me where someone has refused to deal with a bill. I really do hope that you have come to make presentation on Bill 70 this evening. I can understand that you are trying to draw analogies. I have seen this in the House a number of times, where certain members have tried to draw analogies and we have had to call them to order in the House.

Yet I am having a hard time trying to get through that what we are dealing with here is The Public Sector Compensation Management Act. If we were to deal with all the bills that were before us at one time at one committee, it just would not work. There has to be some decorum and that is one of the rules that operates within this Legislature and within the parliamentary procedures of this Legislature. So I will ask you one final time, to please be relevant to Bill 70 at this time.

Ms. Lord: My whole presentation is contained in a comparison of citizen participation and decision making, whether it is citizen participation in how the City of Winnipeg operates, whether it is citizen participation in the legislative process, or whether it is citizen participation in working conditions. I am not sure how I can change the presentation at this stage to convey my concerns about those aspects of Bill 70.

Mr. Chairman: If I could make a small recommendation, that if your name was not dropped from the list, and if the committee said that you could be one of the first presenters coming back, and that

gave you an opportunity to draft that position together, would that be fair for you?

Ms. Lord: My very, very serious concern about this bill is the complete attack on people's right to participate in the decisions that affect their working life. That is the concern that bothers me about this bill, and I feel that I need to draw the analysis between a variety of decisions that have been foisted upon the citizens of the province of Manitoba that is culminating in this blatant attack on workers' right to participate. I do not know that—

Point of Order

Mr. Manness: Mr. Chairman, I cannot prejudge what it is the presenter is going to say, but nobody is afforded the opportunity when addressing a specific bill to enter, as what we would call, a budget debate. I sense that is what Ms. Lord is attempting to do, at least by the indication that she is trying to draw analogies along a whole host of areas taking into account other government decisions, to use her word. That is a budget debate, and that is certainly out of order. I think your invitation to Ms. Lord was very fair. You were saying if you cannot bring the presentation to Bill 70, then you invite her to do so at another date on her time and such that she will not have to wait in line.

Mr. Ashton: Mr. Chairperson, I just want to reiterate again that relevance is very subjective. I think the presenter is as relevant as half the speeches we have had in the Legislative session. -(interjection)- Well, there were references yesterday to Conservative economic policies federally, Conservative economic policies provincially, decentralization, taxes. A lot of people made presentations that draw on those contexts.

This presenter has had maybe five minutes and has been interrupted probably about five times in terms of that, Mr. Chairperson. We have not given the presenter the chance to really even get beyond introductory comments here. I do not know why the minister and the Chair are quite so sensitive. Quite frankly, I do not think any of this process is particularly productive at this hour in the morning anyway. I do not know if any of us are being all that relevant. That is one of the problems you have when you end up with committee hearings at 1:30 in the morning. I would just ask that we allow the presenter to continue.

Mr. Chairman: Neither member had a point of order.

* * *

* (0130)

Mr. Chairman: Ms. Lord, I am going to take it upon myself. I am going to give you five minutes to get this thing going, and I am going to listen very intensely, very intensely. Hopefully, I am going to hear some relevancy within your presentation that is coming forward. Let us carry on. Otherwise, we will be here awful late. You are right. You do have to get to work tomorrow. So if you could carry on, and I am going to listen intensely here for the next five minutes and see if I can catch it.

Ms. Lord: Thank you so much. Just to conclude on Bill 68, this bill is going forward without regard for the fact that during the Chernlack hearings and again during the recent Winnipeg Wards Review Committee hearings, presentation after presentation demanded increased citizen participation and retention of the size of council. Whatever decisions this government has made, whether it is child care, social services, workers compensation, the wishes of the majority of Manitobans have been completely disregarded.

Bill 70 is far more horrendous than a wage freeze. This is the most Draconian attack on free collective bargaining that has been perpetuated on the workers in this province during my lifetime. Collective bargaining is the only mechanism that workers have to put forward their position about the conditions of their daily lives. When I sell my labour to you, I want the opportunity to negotiate what I receive in return for my labour, whether it is the hours I work, the mechanisms of promotion, the opportunity to redress grievances, to achieve pay equity, to be free of sexual harassment, and the list goes on and on. These are fundamental rights of a free and democratic country. Only a right-wing, fascist regime would impose any legislation that would eliminate these rights.

I have no faith that this government will withdraw this bill. The record of the Filmon government has demonstrated that it cares nothing for the wishes of the people it has been elected to serve, but I know that I will do everything in my power to ensure the defeat of this government, a commitment that many Manitobans who in fact have voted for you in the past now share after only one short year. Thank you.

Mr. Chairman: Any questions?

Mr. Ashton: Mr. Chairperson, I note once again that the presentation was very relevant. The presenter made a number of—well, I think the most relevant thing she said was, defeating this government. I think that is relevant when it comes to Bill 70, and I appreciate that one of the Conservative members recognizes that.

I appreciate, by the way, the patience of the presenters. I understand that it is difficult for members of the committee, but I hope that members of the committee will understand how difficult it is for members of the public, such as the presenter, who, I am sure, would have a lot better things to do at 1:30 in the morning and would have preferred to be able to make this presentation at another time, without running this late and having perhaps a bit more opportunity. One thing I have noticed with committee hearings, incidentally, Mr. Chairperson, is that we do tend to get rushed toward the end, and that is unfortunate. Whoever is here at eight o'clock and makes a presentation has the full attention of the committee, and by the time we get to 1:30, it does drift.

I just wanted to ask one brief question to the presenter in the context, particularly, in terms of the collective bargaining, and I have asked this question before of other people. What will be the impact on collective bargaining in Manitoba, in terms of labour relations, given the fact that we currently have one of the best climates, the second lowest strike rate traditionally, if Bill 70 is passed? How is that going to impact on labour relations in the province?

Ms. Lord: In the public sector, in those areas where the bill now presently impacts on employees, there is no question that workers are going to have no faith in this government in having any respect for the job that they do.

The other problem in the public sector where this legislation is imposed on some boards and commissions who want to be fair employers, want to sit down and negotiate fair terms and conditions of work, you are going to have not only very, very disgruntled employees, you are going to have very frustrated employers because they know that it is not just money that people join unions for and get involved in the collective bargaining process. They want to sit down and negotiate and deal with concerns in the workplace, and this is the only mechanism that they have to ensure that everybody gets a fair opportunity in a democratic system.

In the private sector, with those employers who have respect and value their employees, it is going to make it very difficult for them to be competitive with employers who are going to take on the Conservative agenda and say, if it is good enough for the provincial Civil Service, if it is good enough for health care system, if it is good enough for the health care workers, it is good enough for the workers in our workplaces.

I see that it will have very far-reaching effects. I see that, when it comes to people's ability to purchase, it is going to have a great impact on small business particularly, that supposedly everybody is so concerned about. It is going to have a great impact on the ability of some people to survive in this community because of the loss of purchasing power in this day and age with absolutely no way to contain the costs of living, many of those costs clearly imposed, created as a result of the GST, as well as the fact that we never did see an elimination of the manufacturers' sales tax in many products and services.

Mr. Chairman: Any further questions? Thank you very much, Ms. Lord.

Committee Substitution

Mr. Hickes: I do not have a question. Mr. Chair, I would just like to ask leave to make a committee change.

Mr. Chairman: You cannot make a committee change.

Mr. Hickes: I can if I have leave.

Mr. Chairman: Is there leave for the member to make a committee change? No? Leave has been denied.

Mr. Ashton: Just for the information of the committee, we do have clear precedent, when we are sitting—usually the process is by leave—the substitutions are made and they are confirmed later in the House by resolution.

Mr. Chairman: I have just asked for leave, and it was denied.

Is there leave for the member to make a committee change? Is it agreed? Is there leave? Agreed? Agreed. Make your committee change.

Mr. Hickes: I move, seconded by the member for Interlake (Mr. Clif Evans), that the composition of the Standing Committee on Industrial Relations be amended as follows: the member for Thompson

(Mr. Ashton) for the member for Brandon East (Mr. Leonard Evans).

Motion presented.

Mr. Chairman: It is agreed? Agreed. I would like to inform the committee this has to be agreed to in the House tomorrow, formally.

* * *

Mr. Chairman: I will now call on 33, Paul Moist. Do you have a written presentation, Mr. Moist?

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

Mr. Chairman: If you could just supply it to the clerk and give her just a minute to distribute it.

Go ahead, Mr. Moist.

Mr. Moist: Mr. Chairman and members of committee, just one opening, personal observation, I just recently completed my third Manitoba Marathon and found it a lot less taxing on me physically than sitting here this evening. In any event, that was for a good cause, and tonight's hearings are for a good cause.

* (0140)

My only comment on process that I would make is, apart from not particularly wanting to stay here tonight until 1:30 in the morning, I very much appreciate the rules of the Manitoba Legislature which allow for committee hearings and an unlimited amount or a number of Manitobans to come and speak. I am not one prone to personal remarks or attacks, and I will not make any of those. The only personal comment I would make to committee members is, I respect very much people of all political stripes who stand for political office. I respect you all sitting here tonight as caretakers of the rules of the Manitoba Legislature which allow us to come and speak here.

I would much, much preferred to have spoken to you tomorrow evening earlier on, but I have had to sit here—but so have you. I respect each and every one of you for sitting here in a fairly quiet and businesslike manner. I once came to speak in this room—this is my final digression before I get to my brief—in 1984 on the French language services hearings, and the acrimony amongst committee members was actually despicable. There were members of the then opposition, in my opinion, impaired at the time, and nobody appreciated that. I just want to say to this committee that, despite the

occasional skirmishes, you have conducted yourself in a far better fashion.

Mr. Chairman: We appreciate that once in a while.

Mr. Molst: Just to begin with, mine is not a text of the normal type here. I have just included a few documents which I want to touch on.

I appear before you tonight as a private citizen, a third-generation Winnipegger. I am a gardener for the City of Winnipeg, and my job is in the conservatory in city park. I am a working person who is fortunate enough to belong to a union. I work for that union now and I am employed by the Canadian Union of Public Employees. You heard from our union last night and I will not reiterate what they said.

There are 8,000 of our 19,000 members in this province touched by this legislation. This morning at 7:45 I have to meet with 350 of those members who are touched by Bill 70. I want clarification from the committee, if I am speaking at 7:45 this morning and I have to leave, do I have leave to come back and finish my speech? I am meeting shift workers at a hospital at 7:45 tomorrow morning, at noon and at five o'clock to talk about Bill 70. I have to go to that meeting at 7:45; and if I am either still speaking or being questioned at that time, I want to know if I will be cut off then or can I come back. I would like an answer to that before I begin.

Mr. Chairman: Carry on with your presentation. I would like to advise the presenter that it is not your chance to ask questions at this time, but I will peruse what you have asked me anyway and see what I can come up with.

Mr. Molst: I am a great believer, Mr. Chairman and members of the committee, that we are a product of where we came from. All of us in this room here are caretakers of sort. You are caretakers of the confidence of the people of Manitoba whether you are government members or opposition members. I am a caretaker of the confidence of working people who decided to organize many, many years ago.

The product of those two relationships that brings us together is contained on the first page of my presentation. I am only going to read the first paragraph of it, but it is a significant statement of public policy. In my opinion, Mr. Chairman, Bill 70 is a significant statement of public policy of one type. It follows on the heels of this statement of public policy, because The Labour Relations Act that we own collectively starts out like this:

WHEREAS it is in the public interest of the Province of Manitoba to further harmonious relations between employers and employees by encouraging the practice and procedure of collective bargaining between employers and unions as freely designated representatives of employees;

THEREFORE HER MAJESTY, by and with advice and consent of the Legislative Assembly of Manitoba, enacts as follows:

I certainly will not go into the rest of it, but it enacts the rules that we live by. They are housed in The Labour Relations Act, and that act is thrown into question and scrutiny by Bill 70; it is actually thrown into the garbage can.

Now I said a moment ago, we are the product of where we came from. This Labour Relations Act was not what was desired by the people who came before me who represented workers in Manitoba 70 years ago. They never, ever envisioned they would have a Labour Relations Act which took away the rights, the fundamental rights, that this act takes away, and I am not talking about Bill 70, I am talking about the act as it exists right now.

There was a lady talking earlier about grievance procedures. This act outlines why and how we have the right to file grievances and put those things in collective agreements. That was your choice as employers, not the choice of the working people of Manitoba. The most fundamental right we gave up over 70 years ago was the right to withdraw our labour when something went wrong in the workplace. Now we have very narrow windows when we can do that, and this act prescribes those windows. Bill 70 takes away even the slightest glitch and opening in that window, but make no bones about it, my forebears, the people who gave me unions and I expect came before this Legislature and lobbied for provisions of this Labour Relations Act, never, ever envisioned they would agree to something like a grievance procedure, because when things went wrong in the workplace people sat down and worked them out.

That was considered to be no good, though, and employers, you people, sought things like minimum wages and grievance procedures. I find it a joke when I am honoured to be part of the MFL executive, to go before Cabinet each year, be it an NDP government or a Conservative government, I am

honoured to go into the Cabinet room and ask for an increase in the minimum wage.

People presume that the labour movement came up with the minimum wage. Nothing could be further from the truth. Employers sought it and the government of the day in the 1920s gave Manitobans the minimum wage, not because labour asked for it; there was a shortage of labour. They did not want labour moving from factory to factory, so they put a standardized wage in place, which employers would pay no matter where you went, unless you were organized. That was sought for by employers. We now seek to increase it on occasion for those workers who are not organized, but make no bones about it, the rules that you are calling into question in Bill 70 were rules that we reluctantly agreed to many, many years ago.

I will stop on the prelude to The Labour Relations Act, but I want to remind you, it is such a significant statement of public policy that no government has touched it since its inception to this extent, because we are not talking about a wage freeze, we are talking about setting aside collective bargaining.

I recently entered into a collective agreement which for the first time enacted a sexual harassment clause. That agreement is null and void. We will have to wait a year to have an enforceable sexual harassment clause for that group of employees. The employer wants it and the employees want it, but your proposed Bill 70 makes that impossible.

There was a presenter up here earlier talking about some specific negotiations which I certainly am not part of, those directly with government employees, and he characterized it as nonbargaining. I turned to the second page of my presentation. I tell you what I think it is. I think it is Boulwarism. I think it is a bargaining tactic involving the delivery of management's final position at the outset of negotiations on a take-it-or-leave-it basis, combined with an attempt to sell the offer directly to the employees, all with a view to undermining the unions' bargaining authority. It is an unfair labour practice as determined by the courts in the United States of America. It is an argument that unions use in the province of Manitoba and throughout Canada.

(Mrs. Louise Dacquay, Acting Chairman, in the Chair)

The most insidious part of it is when management, as you apparently did in the recent round of bargaining with the MGEA, attempts to go over the

head of the union and says to the union, you can have this proposal, but take it to your members. Do not come back and talk to us about it. Do not let us get together and try and work out some compromise of it. This offer is withdrawn if you do not take it to your members.

* (0150)

I want to tell you, I do not speak for that union that spoke here tonight. I respect them very much, but I do not speak for them. I want to tell you on behalf of the workers that I represent, no one goes to our membership until the negotiating committee that the members elect decide to. Unions traditionally resent and despise employers that try to do that. That does not foster what The Labour Relations Act says you are supposed to do and that is further harmonious relations between employers and employees.

So it is my view that the Province of Manitoba has committed an unfair labour practice. Why have you not been charged with that? Why has the Manitoba Labour Board not decreed that? Because it is probably not worth our while to have you fined \$5,000 which would be the maximum penalty for that. We will express our response to that through committees such as this, through the actions of our members, between elections and during elections.

The next document in my package is a letter from the Minister of Finance (Mr. Manness) to the president of our Federation of Labour. I will not read the whole letter. It has a couple of paragraphs which are of no interest to me, and I find no comment worthy of those first two paragraphs. The last paragraph says for the record: introduction of this legislation to control public sector spending was not the first choice of this government. However, the alternatives of either raising taxes or reducing services were deemed to be far worse than asking certain employees in the public sector to set aside their wage demands for a one-year period.

Now let us break that down. We had a member retire from our staff four years ago who started working for CUPE in 1944. He told me that in all his years of negotiating in the public sector, there was never a time that a public employer, a government, came to the bargaining table and said, this is a good year for a wage increase. We feel like putting up taxes. We think we will cut services to give you more money. Think of what this statement says. It

was not the first choice of the government to raise taxes or reduce services.

I am very glad to hear that. It has never been the choice of any government that I have ever come across. No government wants to raise taxes. Governments have raised taxes to provide services that Manitobans and Canadians want. Sometimes doing that saves people money in the long run. I am reminded of the recent series of television programs by the former Surgeon General of the United States of America outlining why they cannot afford a universal medical system when they spend more per capita on medicare with less coverage than we do.

As a matter of public policy in this country, we have universal medicare. Governments have to tax for that. Not one of those governments at the federal level wanted to introduce those taxes. There is not a government that I know of that knowingly wants to reduce services, ever. It is a prescription to be a one-term politician, and this government might be the second majority government to serve only one term in this province.

So what is the third option? Asking certain employees in the public sector to set aside their wage demands for a one-year period. Why not for a two-year period or a three-year period? Tell me when you as a government are going to want to increase taxes or cut services? You are never going to want to do those things. If we capitulated every time a public sector employer told us that they did not want to raise taxes or cut services, therefore we had to take zero, there would not be one unionized worker in the public sector because they would have tossed us out years ago.

The final point on this letter, before I turn to the next page to talk some more about Bill 70, is that I disagree with the statement there. I do not believe this government has not raised taxes. This government has raised residential taxes in the city of Winnipeg through its fiscal policy with the City of Winnipeg. You have continually reduced per capita grants to the city. Your grants in lieu of taxes now represent 20 percent of City of Winnipeg revenue. Three years ago they represented 23 percent.

Your failure to touch the property tax credit has eroded that to the extent that if it had been moved with inflation since 1980, instead of being \$325 it would be \$267 more now. That would have alleviated pressure on property taxes. You have

downloaded to the City of Winnipeg with your most recent budget. You have increased taxes in the city of Winnipeg.

I also believe you have increased school board taxes in every school division in the province with your zero-and-two policy. You have left those school boards with no option but to go to the ratepayers. You might say they could cut, and they will pay the political price for that. You have downloaded to them.

Do not tell the president of the Federation of Labour that your first choice was not to raise taxes. You have not directly raised taxes on individual Manitobans this time. You have indirectly done it through funding policies to the school board and to the municipality. Yet you ask us to set aside our wage demands for a year.

Rather than hear me talk about what I think about you asking us to set our wage demands aside, let us look at that pillar of left-wing rhetoric, the Winnipeg Free Press editorial page. On May 18, they said this to your government. They called a recently negotiated public sector settlement in the city of Winnipeg "A modest wage settlement." I will only read two paragraphs.

It says: "Winnipeg's largest municipal union has recognized the city's financial difficulties and agreed to wage increases significantly below the rate of inflation. If Finance Minister Clayton Manness can win such a favorable settlement with the Manitoba Government Employees' Association, he should thank his lucky star." It goes on to detail what this agreement was. Then it says, on May 18: "The provincial government is still bargaining with its unions. Mr. Manness and his colleagues may be able to persuade them to delay their increases and watch their purchasing power diminish as city workers are doing. If the CUPE settlement in Winnipeg is to be considered as setting the going rate for public sector settlements in Manitoba, it is a rate the province can accommodate."

That is not the Manitoba Federation of Labour or CUPE or even the City of Winnipeg talking. That is the Winnipeg Free Press, no friend of labour, in my view, but reflecting what they think is a reasonable public opinion on their editorial page.

What did you do between May 18 and June 3? You did not do anything. On June 23, when the City of Winnipeg had ratified that agreement, you received this glowing press report from the same

left-wing rag. "Mayor Bill Norrie scored a political success against the Conservative provincial government and its supporters in the council in winning ratification of the three-year agreement with the Canadian Union of Public Employees. Finance Minister Clayton Manness was reduced to muttering darkly about revenge."

It was not Susan Hart-Kulbaba; it was not Paul Moist. It was the left-wing rag, the Winnipeg Free Press, friend of worker. "The finance minister's burst of ill-temper can safely be ignored. Ratification of the city's CUPE contract—"

Point of Order

Mr. Manness: I do not mind being berated by the witness at all. I am used to it. The member for Thompson (Mr. Ashton) does it regularly in the House, but I would ask the member, given that he now is attempting to read press releases, which we have all read, into the record, I would ask from him some indication, particularly in view of the question he put to the committee earlier, if his intentions are to speak for a considerable period of time. I would ask him for an estimate of the length of his presentation.

Mr. Moist: I cannot make an accurate estimate, although I have a lot to say to you and to members of this committee.

Mr. Manness: Madam Acting Chairman, I will be moving a motion then, as soon as I have it drafted. Mr. Moist can continue to speak. I will be moving a motion shortly.

* * *

Mr. Moist: I find it regrettable, Madam Acting Chair, that because of the late hour, people are going to start moving motions which I fully anticipate will limit the amount of time people can speak before this committee. My preference would have been to come here tomorrow morning, tomorrow evening, Saturday; but I know what is coming down the pike, and I expect nothing more and oftentimes less from the person who just spoke.

* (0200)

The Acting Chairman (Mrs. Dacquay): Mr. Moist, just for clarification and to put on the record, you fully had the opportunity to return tomorrow morning, regardless of whether your name was called this evening or not.

Mr. Moist: Madam Acting Chair, excuse me, if the meeting that I advised you of, that I must go to at a quarter to eight tomorrow morning, continues to one minute past 10 and you call my number, I will have lost the right to speak under your rules.

In any event, the Free Press concluded on June 23 by saying this: "Mr. Manness, beaten, started looking for a way to hit back. He announced that he would forbid a new city tax on motorists if the city comes asking for one. That would put them in their place.

"He would almost certainly refuse that permission anyway. Mayor Norrie and the council need decent relations with city employees and will still need them after Mr. Manness's tantrum passes."

That is the view of Winnipeg's leading daily newspaper about the actions of this government. I guess I want to say, Madam Acting Chair, to you and to the members of committee and indeed for the record, because I believe that I will not be here a number of years from now and neither will any of you, that there will still be unions in this province, and there will still be a government and there will still be a labour relations act. We are only caretakers of those things.

I will say right now to you: Bill 70 represents the greatest intrusion into building the kind of trust that is needed between employees and employers. It represents the greatest intrusion into that trust relationship that has existed for the last 72 years. There has never been a piece of legislation in Manitoba that has set aside collective rights like this one does.

I know that there are members of the government, members of the cabinet, who know about collective bargaining. I know there are many of them that know that it is based on trust. It is also based on power, and there is absolutely no question that in labour relations, just like the politics of this province, the pendulum swings. Right now it has swung to a Conservative majority government. You know, and I know, you will not be a majority government here forever. The pendulum in Canada has swung away from working people to some extent. I know it will swing back, and I hate to think of the price that workers will extract for that.

On December 14, we were honoured to meet with the cabinet of Manitoba. I regretted at the time that the Minister of Finance (Mr. Manness) was not

there, but he announced, that day, informal wage guidelines. That was the prelude to Bill 70.

(Mr. Chairman in the Chair)

Those informal wage guidelines made an exception—I agreed with the exception—the exception for the Manitoba Nurses' Union. Why was an exception needed for them? Because they deserved a catch-up. They had fallen behind. Their work had not been valued properly. I supported that and my colleagues here supported it, and Manitobans supported it. Unfortunately, it took a 30-day strike. You with Bill 70 are going to create the same situation. You are going to create the injustice that requires catch-up at the bargaining table and workers are going to come back and bargain for that. The economy might be a little fuller than it is right now. The surplus of labour might be a little less, and you are going to be in an awful position. You are going to create the need for another exception which you announced yourself on December 14.

I think the Winnipeg Free Press editorial page gave good advice to the government of Manitoba. I think decent labour relations ought to be valued between workers and the people who they work for. Make no bones about it, all we have is the labour that we are selling to you. We have in collective agreements the rights that you do not have. We have abridged some of your rights as management. We need those collective agreements to be opened regularly, not to be frozen, to adjust things that have nothing to do with money.

My union has 2,400 of those collective agreements across the country, 400,000 members. Ninety-eight percent of those locals are members under 50 people. They do not have a lot of clout and a lot of power—daycares, school board workers. Why do we get settlements 95 percent of the time without job action or arbitration—because we are so powerful, because we have clout? There is not a lot of clout in a daycare of 12 people. We know how to sit down and negotiate at daycares that have no money. We negotiate things like extra days off. We negotiate paid education leave. We keep wages low because we cannot drain those daycares. We are responsible at the bargaining table.

There are members in this cabinet who know how our union can conduct ourselves. Why do the bargaining rights of 48,000 Manitobans have to be set aside? What precipitated it? Was it protracted

disputes with services being withdrawn? No round of bargaining had got to that stage yet. What caused the rights of 48,000 Manitobans to be set aside? I suggest it was the government did not like the rules. They made a deal in this House last December to prorogue in exchange for extension of a piece of legislation. Employees accessed that legislation. The law of Manitoba permitted them to do so. One group did it after 60 days on the picket line, and seemingly the provincial government cannot honour the deal that they made in the Legislature with their colleagues. They retroactively snatched that deal back. I call that welshing. My dad taught me that was welshing. What did that do?

The root cause of the government's overreaction to the bargaining situation in Manitoba, I think, lies in the hands of four or five radical men—David Bowman, Jack Chapman, Martin Freedman. These are radical people who will lead the next general strike, you might believe if you read the newspapers. All they have done is apply the principles that arbitrators must apply when arbitrators are set with a task to do. Now you as legislators are caretakers of a lot more legislation than just The Labour Relations Act.

Your forebears decided that firefighters in this province should not have the right to strike. We have the firefighters arbitration act, an act of this Legislature which sets out that process. Police officers have the same thing, an act of this Legislature. Teachers, as a matter of public policy, do not have the right to strike. Housed in this Legislature is the rules for them settling their agreement. What are those rules? Did we just make them up in Manitoba? They are the product, basically, of the British legal system and our labour relations system which is patterned loosely after it.

Those rules require arbitrators, because of case law and precedent, to follow certain rules. They applied those rules in the context of final offer selection in four or five awards which found such disfavour with the government of the day that the government has retroactively overruled those awards and snatched back the deal they made with the other parties in the House last December. What did those arbitrators do to cause that backlash? What did they do? Did they ignore conventional arbitral guidelines? Did they take, literally, foot upon foot of precedent and toss it out that window? No. They applied those principles.

They are going to do the same thing when Bill 70 is gone, and you will pay for that if you want to engage in arbitration as opposed to collective bargaining with the strike option. Those rules were not invented by the labour movement. They were not invented by any government. The principles of arbitration that arbitrators must follow are the product of decades and decades of case law, and they have no other option but to follow those.

* (0210)

The final piece of paper that I am going to refer to, I believe, had a lot to do with Bill 70 and the fact that this government most likely will pass Bill 70. It had to do with the settlement for the operating engineers. I am only going to dwell on the ability-to-pay section, because what happened in that final offer selection process? Here is a group of workers whose contract ended at the end of December. They worked without a contract for a while. They then withdrew their labour as was their legal right and, after 60 days, they legally accessed the provisions of The Labour Relations Act giving rise to final offer selection.

What were the outstanding issues? Money. What did the union take in there as their final position and the arbitrator has to take this or that? No mixing. They took in there a 4.5 percent increase to all classifications effective the date of the selector's award, which was dated June of this year, June 5. They went in with their bargaining position with a six-month wage freeze put on the table for the government. That finds such disfavour with the government that you need to impose a 12-month freeze? I will bet you dollars to doughnuts you could have talked this out with that group of employees.

What did the arbitrator say about the ability to pay, because I fully want questions on that from you. I want to share with you, not my views on the ability to pay, the views of case law throughout North America—I should say, throughout the Commonwealth. We are based on the British model. We follow those principles. What did David Bowman in canvassing the ability-to-pay argument say?

He starts on page 12 of that award which you have in front of you. He says at the bottom, I must be mindful of the numerous decisions to some of which I will make later reference, indicating that the ability-to-pay argument is one which is necessarily of significantly lesser moment when invoked in the

public sector than it is in the private. It is of lesser weight in the eyes of the law. Why? I think it an important point to indicate clearly that I disagree with Mr. Kells who argued for the government as to blurring the distinction between public and private undertakings. You tried to argue in that arbitration that there is no difference. The private sector has the ability to pay or not to pay at times. Government is no different.

Mr. Bowman, not me, not the union, not the Free Press, the arbitrator that you agreed to said this to that argument: It has been observed by many arbitrators and others that whereas a private employer may be unable to pay simply because it cannot increase the cost of its product without losing its share of the market, and there is no way to reduce other costs of production, this does not apply and cannot apply to the public sector. In the public sector, it is always a question of choices made by the governing body concerned. There are choices between increasing taxes or cutting services. There are choices as to what taxes to increase or to decrease. There are choices inevitably as to what are the important and lesser concerns and who should pay, or who should be helped, or who should get more, or who should get less. These are philosophical or ideological conclusions. Hence, when we are dealing with public funds and public choices, they are political considerations.

That is not dogma written by some trade union or some group that you do not find favour with. Those are the principles that have been applied to the public sector throughout Canada, in Britain, and throughout the Commonwealth. There is not the third option that you housed in your letter to the president of the Federation of Labour, that we set aside wage increases for a year. There are two options, tax or cut. Have the fortitude to go to the people of Manitoba and say, yes, these services are important, we are going to tax or, no, we cannot afford them, we cannot provide this service. You want the third option that does not exist in law.

He concludes, and this is the final excerpt that I choose to read from Mr. Bowman's award: For an arbitrator, whether under final offer selection or in another context, to review the choices made by a government, and substitute his/her own scale of values and philosophy, he says that is wrong.

The argument of ability to pay when it relates to a provincial government necessarily invites that kind of examination. I do not intend to embark upon a

critique of governmental funding and spending decisions. This is not within my purview. Similarly, however, I am not obliged in carrying out my function to rubber stamp or blindly adopt the priorities and choices of government in order to say that there is no capacity to meet a wage increase.

David Bowman finishes in discharging his arbitral responsibilities by saying this, and Bob Olien, a witness earlier tonight, touched on it: If free collective bargaining had been able to work I would not be dealing with the matter. In the instant case, the employer says free collective bargaining produced no change in the employer's fiscal approach and the strike made no difference to it. Accordingly therefore, the union would have to come around to accepting the employer's position in the long run. The union replies, of course, that it, too, did not change its position and the employer might have to come around. Neither of these propositions is in any way capable of proof.

What is reasonably apparent is that there was nothing which could be properly termed free collective bargaining. When the funding source has expressly taken the position that there is an immutable limit, it becomes apparent that the employer's bargaining representatives had none of the freedom ordinarily associated with bargaining. Bargaining invokes give-and-take, the advancement of a position knowing it may be necessary to alter that position. Here there is no sign of give-and-take and no sign of any real bargaining. He concludes by saying he can find no evidence that the operating engineers at hospitals in Manitoba cause the government's fiscal problems. Therefore, it is unfair to take it out on them. He chooses for the employees. He chooses their position of a six-month wage freeze after 60 days without pay on a picket line that they voluntarily got themselves into—do not get me wrong. He chooses the union's radical position at cost to the employer of less than 3 percent and he so orders. Bill 70 comes along and zaps that out of the air.

The workers who have not had a wage increase for 18 months now will not have one for another 12, despite the radical musings of David Bowman in discharging his arbitral responsibility. He rejected categorically the third option in the fourth paragraph of the letter that you sent to my Federation of Labour.

Mr. Freeman has found favour with government argument on a recent occasion. He imposed the zero. He rejected, in imposing that zero, the third

option. He imposed the zero because he thought it was warranted in the circumstance.

There are only two options for government: tax or cut services. Do not take it off the backs of your workers. Do not so impair your relationship with workers that you are going to cause them to ruin that employment relationship.

I have a phrase that I use at times with employers. Sometimes they listen to it; other times they do not. I do not believe labour relations is a one-inning, a three-inning or a nine-inning ball game. It is perpetual extra innings.

There will be people sitting in this room 50 years from now from unions and from government. They will be talking about matters such as this. Some of them will be here from CUPE. Some will be Conservatives. Some will be NDP. They will be talking about these things. What will we have done to contribute to their relationship? They will be talking about these things a hundred years from now. We are not going anywhere. So, if the pendulum has swung in your direction in this recession, have fun with it, because the pendulum never stays there. It never stays there.

* (0220)

Look at the pictures in this room. They all reflect the pendulum swinging. In Manitoba, thankfully, I say, as a third-generation person born to this province, I am glad we have not swung like the province of British Columbia or Great Britain at times. I am glad we have not gone out here and out here. I believe that would be not in the public interest. I believe Manitobans have elected governments lately of Conservative or NDP stripe. Both of those governments, up until very recently, have gone—nobody has taken advantage of the confidence of the public.

What is happening now? You want to create a situation. I guess I should thank you, because you know what you are doing. You are awakening up a work force that is not going to tolerate this. The public in Manitoba is not going to tolerate this, not because they think government workers should have a blank cheque in dealing with government.

The people of Manitoba who are not directly affected by this are going to find it to be unfair, because collective bargaining is a fair process. The union I work for does not rape taxpayers. We conduct ourselves responsibly. Our main goal is to get agreements, not cause problems.

It was a big problem 72 years ago that put us where we are now, with not a bad Labour Relations Act that you are setting aside. That problem is canvassed and it is only a two-hour read. It would be far better reading than perhaps what we have been engaged in for the last six hours.

There is a two-hour read that you could all purchase that has recently been published by a Winnipeg publishing firm here this month. It is a novel called *Fox*. I read it last Saturday night. It is written by a woman whose name is Margaret Sweatman, and her father took steps into politics a number of years ago, Allan Sweatman. She has written a novel, which is only a couple of hundred pages, about young people who are courting one another, two couples. It is not different than any novel that you could pick up anywhere except its backdrop is Winnipeg in the months of April, May and June 1919. One of the male characters is a member of the committee of 1000, and one of the male members is a member of the trade union movement. Both of the females have nothing to do with either.

If you want to know how we have come to be what we are and divisions that exist in this city that we have mended but firm positions that we take on issues like this, and I will not get personal here or take personal swipes at people, but I will tell you there are fundamental differences in this room on things such as free collective bargaining. The trade union movement will fight you through all legal devices if you embark on this path and continue to do so. Why? Because we value so much the rights that our forebears have been able to secure for us. Those were born out of 1919.

There has been a standoff between labour and management in this city for over 70 years. There has not been an explosion unless you want to call our activities at elections explosive at times. I think what happened in 1969 was rather explosive, but nothing comes close to what happened in 1919 in the 72 years since. I want to tell you what can ignite things like that. Bill 70 has every potential to ignite feelings as extreme as that, because you have not done what other provinces have done in Canada in recent months. I find what they have done reprehensible. They have frozen wages. You have not just frozen wages. You have taken away the ability for a set period of time for unions and management to negotiate working conditions. Do you want to return to the system where, instead of

filing a grievance, parties simply put down their tools? Is that the productivity Canada needs to compete in the global economy?

I recently negotiated a collective agreement which took a step out of the grievance procedure, which takes lawyers out of the grievance procedure. People such as me and government negotiators, lay people, will argue the arbitrations. Your legislation will freeze provisions like that, freely entered into in collective bargaining, because the collective agreement says how you will process grievances. That has to be amended so that the parties are trying to do responsible things.

You do not read about collective bargaining that gets settled. In Canada, thankfully, over 85 percent of what we call collective bargaining amongst the four odd million of us who are organized, you never hear about it. It is not the statistic published in Labour Canada about what the percentage increase is. That is one part of bargaining. It is seniority systems, layoff systems, how do we manage technological change, maternity leave, grievance procedures. We sort our differences out so that this employee over here does not lay down his tools for three hours when he has a bitch. We put together rules to deal with the fact that in Canada now it is different than when I grew up. My mother was home every day, by choice; many of the members I represent, the female partners in that relationship or the male, cannot choose to stay home. They must work. That creates a need for structures, new structures in the workplace, daycares, deferral of wages in exchange for benefits such as increased maternity leave. We cannot even talk about doing those things on behalf of the women and men who we represent during the period that Bill 70 freezes our working conditions. It is despicable.

Collective bargaining works in Manitoba. We have, over the past two decades, an enviable record. No province save for Prince Edward Island comes close. When I see things like Bill 70—and I regret this, but I have to agree with a former member of this Chamber, the former member for Inkster, Mr. Green, who argued as a matter of principle. He would have comment on Bill 70, and he may be here. He would say about Bill 70 this, this is the product trade union movement of having sold your most fundamental right. He would argue that. I find such disfavour with that argument, although at its core there is a lot of substance to that argument.

Those who argue that are putting forward the proposition, no mediation, no conciliation, no arbitration, your power versus our power. You do not like what we are offering, withdraw your labour.

I notice, Mr. Chairman, a member of the committee nodding his head to that. I, in concept, find it hard to argue with that concept that it does come down to power. I do not think it serves the citizens that make up our province very well. I would much rather look eyeball to eyeball with my employer and say, we have a problem here. The easy way out is to say, oh, well, we cannot solve it. I am going to go on strike, and I am going to try and beat you. You might beat me this time. I will beat you next time. That is the easy way out of these problems—or to give it to a third party. It is easy. It is extremely easy.

Do you know what is hard to do? It is hard to get into a room with the position that you have narrowed down to and the position that the employer is narrowed down to, and you are still apart. You have a responsibility to try to narrow those positions—you, as the employer, to keep services being delivered to Manitobans; we, as trade unionists, to not get our people in situations that none of them want to be in.

I have never met a worker who wants to, as a matter of course, withdraw his or her labour—never. I have met many workers prepared to do that when they face indignant action, such as Bill 70, tactics at the bargaining table.

What do we do? We do not have money. We go on strike for 60 days. We feed each other in each other's homes. We give each other clothes. We lose our houses. It does not matter. There is that dignity to collective bargaining. The absolute lunacy of this is that collective bargaining works. What precipitated the introduction of Bill 70? Are we going to restrain the economy of Manitoba in a recession? My God, I find that inconceivable.

In the last recession, the Pawley administration spent. They borrowed in the first couple of years of that recession. They got Manitoba out of that recession quicker than any other province.

*(0230)

I tell you, if Franklin Delano Roosevelt had behaved as this government, we never would have gotten out of the Depression. They spent. Policies of restraint that take \$70 million out of the economy

can only create more unemployment. It can only hurt the economy of Manitoba.

The members that I represent or that Mr. Olien represents or the other people who have been here tonight, they do not send their money to Swiss bank accounts. They do not invest outside of Manitoba. They spend, unfortunately—because I believe we all should try to save, it is the way I was brought up. They are spending virtually 100 percent of their money here in Winnipeg and Manitoba. How can that be bad?

There are 48,000 Manitobans right now. If they do not own a house or have to renew a big mortgage and are extremely worried about doing that, does that help the construction industry? You are restraining the economy in the midst of a recession. It defies, absolutely defies, conventional economic thought that has been borne in Europe and in North America, and you will hurt every Manitoban by doing that, not just the 48,000 people who have had their rights set aside for a period of 12 months, which we are so indignant about. Every Manitoban will be hurt because every Manitoban engages in commerce.

There are Manitobans running stores. Every other Manitoban goes in those stores. You are taking and choking the economy. I think you have choked the economy of the biggest engine that drives this province, and that is the economy of the city of Winnipeg. I believe you are going to choke the rest of the economy with policies such as this.

I ask members of this committee, in reflecting, to think about what Bill 70 represents. It would be very narrow of me to say that it represents an attack on just 48,000 Manitobans. It attacks their families and, indeed, every Manitoban any time you remove a right so fundamental as collective bargaining. I believe you could have negotiated with each and every public sector union in this province. You could have taken a hard line in bargaining, but you could have bargained. You had a choice to bargain, and you chose not to bargain.

I guess I want to conclude by telling you what I think will happen to your workforce as a result of this. I think it is wrong when employers create situations where employees feel negative about coming to work or negative about their employers. There was a fellow who spoke here tonight. He made a very candid presentation from the Manitoba Telephone System, talking about how the management there

had tried to instill pride in them and what happened in the MTX fiasco, and things like that. He struck me as being very sincere and proud to be an employee of MTS, and I saw both sides of this table listening to him intently. What do you do to that when you do not let those people negotiate a new daycare space, an extra sick day, get to the bargaining table to solve a problem? You create a negative situation in the workplace.

My dad was a public servant for 45 years and a proud one. When he started to work—I believe it was 1938. Then he went to the war and came back to the same job. When he started to work in 1938, there were people in the place where he worked who had crossed the picket line in 1919. He was employed 19 years after that strike ended. Those people had been working for 19 years since the strike ended. No one spoke to them. They had violated the sacred trust that exists between working people. I do not believe that would be a productive relationship to create—19 years in a workplace and your co-workers will not speak to you. At its essence, that is what government does when it divides workers. It creates situations like that.

My dad retired from the public service and had a retirement party and elected officials came there. The member for Kirkfield came there, and numerous other elected officials came there, and he had had fights with those people over issues of policy, disagreements, fundamental disagreements. I have fundamental disagreements with the member from Kirkfield, but we know each other well. We have those conversations, but we have a cordial relationship, I think. He thought enough of my dad's 45 years of service to come and break bread with him on the last day that he worked when he was honoured. If you create the divisions that existed, flowing from 1919, when my dad entered the work force in 1938, when people did not even speak to each other who did the same job. I do not believe you foster a situation that leads to retirement parties. I believe you foster relations that lead to disharmony.

If a politician showed up, if somebody would be inclined to get extreme, he would not be welcome at an event like that. That would be regrettable, because there is certainly a role for employers fiscally and morally to say thank you to people who devote their lives to jobs. I would hate to see a system created which would disallow that type of

fraternity, or whatever you want to call it, at the time people retire.

That is what you are going to get when you take away fundamental rights like collective bargaining. It is not a broken system. It is the system that has kept us in check and balance with each other for decades. It has kept us from getting too extreme. It has kept, I would hope, government from getting too extreme in terms of exploiting workers. It has created one of the best countries on Earth, if not the best, but let us not play on people's good will.

Bill 70 plays on good will. It plays on the fact that people will bite their lip and go not 18 months without a wage increase, they will go 36 months. They will make ends meet. They will get a second job. You are playing on people's nerves that have not been tapped into for a long time. You are tapping into them now, and you are going to create disharmony. You are going to make the labour movement more organized than it has ever been.

I am going to be in a position, possibly, to have some role to play in the organization of that labour force. I am going to do my best to continue to tell them that collective bargaining can work, but I am going to have a hard time convincing them that it is the best system when they see it cast aside like this. This is fundamentally wrong, absolutely, fundamentally wrong, in the midst of a recession, for you to be restraining the economy like this, and nothing precipitated this. There was no massive withdrawal of services that hurt Manitobans.

You took care of the special case, as you called it, on December 14. What was left? A bunch of workers, one of whom stood before you tonight and said we did not want much, 2 percent or 3 percent. I mean, I think you are in the midst of making a colossal goof, a political goof which pleases me because you will not be around three years from now, more importantly, a moral goof. You are breaking apart a relationship that has been patched together after a significant breakup in 1919.

* (0240)

So I tell you, do whatever you want, but a lot of what I have said tonight is based on my decade as a person entrusted to speak on behalf of working people. I believe collective bargaining can work. I have seen it work. I know it works. It is the best and the fairest way to settle the difference between us about what our labour is worth and what you are prepared to pay for it. So it only takes a little

reflection, I think, and you might think twice about this thing. I suspect you will not, but I suspect the people left in this room at 20 to three on July 11 or 12, whatever it is, are entrenched in their positions. We know where we come from, and we know the exercise we are going through right now. I wish it was not so, and if it is not so, I ask this committee to set aside Bill 70 and recommend to the Legislature that it not be adopted.

Mr. Chairman: Thank you very much, Mr. Moist. At this time, I believe there might be a number of questions for you.

Mr. Manness: Let me compliment Mr. Moist on a very powerful presentation, one that I am sure deserves not only listening to but reading when it is committed to print as a record of the proceedings tonight.

Mr. Chairman, the government decision to enter into the drafting of Bill 70 was not a very easy decision. As a matter of fact, it was incredibly difficult, because many of the points that Mr. Moist has addressed and has brought forward in his presentation certainly were considered and weighed, weighed very heavily.

As Mr. Moist, obviously from a philosophical, and I am not going to cast judgment on what philosophy may or may not be important to him, but certainly from an economic point of view, and I hear his reference to Roosevelt and I heard his glowing reference to the former Premier and how it is that one comes out of recession. I heard particularly his reference to an arbitrator, and I forget which one now, that he indicated said that governments have the choice. They can tax and/or they can cut services.

Unfortunately, as I see it, and I do not claim to be a labour expert, I mean that is known by everybody in this room, but as I survey the political process over the last 20 years, I look at the models, certainly the models of arbitration and some of the flirtations with other models that we have had in this province over that period of time, that they are always based on governments, and I will say governments that, in support of those processes, of course, did not tax but, indeed, went and borrowed money.

It is very easy, of course. Those of us who are around the cabinet table now are forced to make difficult decisions but, over the last 20 years, in any province, regardless of who was in power, the easiest place to get a yes from was the cabinet table.

I do not think too many people would argue that. That could continue as long as there were people out there prepared to lend you money. The issue then was not taxation, in the minds of the government of the day, it was deferred taxation—let somebody else worry about it in the next generation.

This government took a different approach, not because we are so pure ideologically, but because we believed in two or three years the bankers were going to tell us, you would take a different approach, just like what happened in Newfoundland. Still we had—you are right, we could increase taxes for another year or two or we could cut services. We have cut out of the budget this year internal reform roughly \$28 to \$40 million. We have heard about it every day in the Legislature from some colleagues around this table, each one of those cuts in some way being called Draconian, almost as Draconian as this legislation, to use some people's words.

Mr. Chairman, I say to Mr. Moist that the decision was not entered into easily. I say to him that governments, the six of them across the country provincially that have brought in some fashion of this type of restraint have not done so to garner votes. I do not see where a lot of votes are garnered. Maybe there is an argument to be made that there is a real problem out there and that governments of the day that take that problem seriously feel like they have to do something. I would just hope that those in opposition to Bill 70 would at least give the government that much credit.

Beyond that, Mr. Moist talks about other negotiations, and his statement is fair. Other people have made this point. How can you, through this bill—it is bad enough that you pull away compensation, but by this bill you have frozen everything. Is there any type of a regulation, draft or something that I could show Mr. Moist or, indeed, anybody who brought forward that particular criticism, that would convince you and others that the government is not wishing to restrain negotiations and bargaining around nonmonetary—if they could be shown and defined as nonmonetary—issues? Government is not interested in trying to interfere with the bargaining around nonmonetary issues. Would that make any portion of this bill easier to accept?

Mr. Moist: Mr. Chairman, through you to the minister, he said a number of things, before I get to his notion of an amendment. He said this was a

tough decision for cabinet. Was it a unanimous decision of the cabinet of this province?

Mr. Manness: You know better than to ask that question.

Mr. Molst: The minister cannot answer, Mr. Chairman. -(interjection)-

Mr. Chairman, I am getting spoken at by somebody without a microphone on. I did not hear her.

Point of Order

Mrs. Dacquay: Mr. Chairman, on a point of order. The procedure in the committee and in the Chamber is that the members ask the debater or the presenter questions, not the other way round. I think we have been very diligent, very patient. Everybody's patience is waning.

It is my understanding that Mr. Moist, unfortunately, I think, to the detriment of some of the people in this room, used in excess of one hour in his presentation. I think to expedite things we should be very firm in our procedural rules.

Mr. Chairman: There was no point of order there. Not only to yourself, Mr. Moist, but to other members of the committee and presenters, I have been trying to keep the matters relevant this evening. I would appreciate if the questions that were being put forward to the presenters were put in a little shorter form, if there are a number of clarifications.

I can understand emotions are high. With the presentation of the type of Mr. Moist's, there is a lot of information to bring forward. I do not believe this is the time or the place to be debating with Mr. Moist on specific issues of this bill. I would appreciate it if we can keep our questions short. Possibly we can keep things relevant, and it will be much easier to have this committee operate with a little bit of decorum.

Hon. Eric Stefanson (Minister of Industry, Trade and Tourism): Not to prolong this, but I would be most interested in getting to Mr. Moist's answer, to the very specific question that the minister concluded with. I think it is a very pertinent question and would appreciate hearing Mr. Moist's response.

Mr. Ashton: Mr. Chairperson, I know you ruled there was not a previous point of order. I would just hope that you would also reiterate to members of the public that we do not have time limits in terms of this. I find it unfortunate that a member of the committee would criticize a member of the public

who is doing nothing more than following the rules of the committee and I thought gave a very relevant presentation.

I just hope you remind the members of the public of that so they do not feel affected by those comments.

Mr. Chairman: No problem. The honourable member did not have a point of order, as he is aware of.

* * *

Mr. Chairman: There are no time limits, in effect. Mr. Moist, if you can answer the question that was put forward, please.

Mr. Molst: Mr. Chairman, with respect to an amendment, I would think it is incumbent upon the government of the day, with the bargaining agents representing those 48,000 employees, to get behind closed doors with them and talk about what ought to happen with collective bargaining in Manitoba. It is not a proper forum at ten to three in the morning, after this many hours of discussion and debate, for a representative—here as a private citizen, but a representative nonetheless of the trade union movement—to take a position on what parties ought to be doing behind closed doors.

* (0250)

You ought to be hammering things out behind closed doors. Go to Mr. Olfert, who represents the Manitoba Government Employees' Association, ask him for a meeting, sit behind closed doors with him and his committee and hammer something out. There is no way on earth that a representative of the labour movement appearing here on behalf of his organization, or as a private citizen, is going to put any context in an amendment when the government does things like they did in December. They made a deal to extend final offer selection legislation, and then they snatched it back. They welshed on it.

The comment there: it is easy to borrow and in two or three years the creditors will come knocking on Manitoba's door. I guess we are to take from that comment that this government knows best. The credit rating—no one has announced it is in any danger of being lowered from where it is right now, to the best of my knowledge, but in anticipation of what New York or Standard and Poor's may do two or three years from now, we must put this package of restraint on the table. We must take \$70 million out of the economy.

And what happens yesterday in the Free Press? The member for Osborne (Mr. Alcock) questions the Minister of Finance (Mr. Manness) saying that your projections were very, very off, and he bases that on a preliminary report from the Conference Board of Canada. He is suggesting—I believe the member for Osborne was suggesting, you have manufactured this situation. So you put the question to me, and you tell me it was a tough decision. I think it was a simple decision for the cabinet of this government. It was a simple decision. It is easier to say no to your employees than it is to say no to Brian Mulroney. It is easier to say no to your employees than it is to say no to creditors who may come knocking in three years. It is completely, fiscally, responsible for governments in times of recession to borrow.

I will not get partisan, Mr. Chairman, but there was a comment made earlier about the 1987 budget of the previous government, and we are to believe from the commenter that was an inappropriate budget, an attack on people in Manitoba, an attack on the purse of Manitobans, a revenue grab of untold example. You are reaping the benefit of that fair taxation policy which fairly taxed people equally. You are not giving a cent of it back to people. It if was so unfair, why are you not giving it back?

Give it to the members. Give it to the 48,000 Manitobans who have paid the tax that you called unfair -(interjection)- It is in the pocket of the Government of Manitoba.

I guess what I am saying is that if that budget so offended the current Minister of Finance when he was Finance critic in 1987—as he expressed in the House, it offended him as a revenue grab of untold proportions—why has that revenue grab, as the opposition of the day called it, not been given back to Manitobans? You are reaping the benefit of the windfall that produced for the coffers of the Province of Manitoba. You are using it to justify holding down taxes now. You are not willing to tax or spend any money to give workers who have not had a wage increase, the lion's share of them from the MGEA, since October 1, 1989, the last time they saw their paycheque jump. You are not prepared to give them an increase in the face of the GST, in the face of every economic argument that we have. They cannot have a 3 percent or 4 percent or 4.5 percent raise. That is actually astounding, and it depresses our economy, and I am told it takes \$70 million potentially out of the economy.

So is there an amendment that can deal with nonmonetary items that will be less of an intrusion into the collective bargaining process that we could find favour with? The answer I say is for you to speak to the bargaining agents of those groups behind closed doors in a proper bargaining setting. You may find—I do not know, I do not speak for them—groups willing to negotiate. The operating engineers went into an arbitration with a wage freeze on the table, a wage freeze for six months. I believe you could talk with those groups and sort this matter out, so my answer to your question is, speak to the people who need to be spoken to.

Mr. Chairman: Thank you, Mr. Moist. Mr. Ashton has some questions for you.

Mr. Ashton: Mr. Chairperson, I do commend Mr. Moist for his presentation, particularly the clarity of the presentation, given the late hour, and I found the comments to be very interesting. I found one comment in particular to be interesting. I wanted to just—

Mr. Chairman: Mr. Ashton, if you could just bring your mike up so that Hansard will pick you up a little bit.

Mr. Ashton: Sorry, Mr. Chairperson. I found one comment in particular to be interesting, and that was the reference to 1919 because, following the protest that took place, I commented in the House, when I had the opportunity to speak on the bill, on one of the placards that struck me the most, and it was not the more cryptic comments that were put, although some of those were certainly interesting—some Garys are doers, others are dictators—there were various items of that nature, but what struck me most was one that said: 1919: Lest We Forget.

The fact that in 1919, there were those, the Committee of 1000, the elite of Winnipeg, the establishment of Winnipeg, whatever term you want to use, who basically crushed a labour movement at that time which consisted essentially of veterans returned from the then war to end all wars, unemployed many of them, underemployed others, who were fighting for some basic working rights, including, in many cases, the right to collective bargaining.

What I found interesting from your comments was the parallel of what happened. While they broke the strike, they did not break the labour movement, they did not break the political movements, the socialist parties, the social democratic parties which later

formed the CCF. In fact, some leaders of the strike in 1919 were later elected to political office, including in this Legislature, in some cases from jail. The reason I am raising that is that—I am realistic; this government has a majority. We were reminded of that on election night—a majority is a majority. It is not always a permanent majority. Even four- or five-year periods do not necessarily operate. We saw that in 1988.

My question, Mr. Chairperson, to the presenter is: Given the fact that obviously this government has the numbers, and I had hoped that there might be some who would be willing—it would only take one or two Conservative members to vote with their conscience on this or abstain to grant its passage—but assume that they can deliver that and use their power as a government, a temporary government as all governments are, to put through this bill, what do you feel the impact is going to be in terms of the labour movement and labour relations in the future?

I know you have touched on the reaction, but I want to give you the opportunity, particularly in terms of the many people you work with and represent, because I think one of the problems the government has had in this building and the bunker mentality of this building is that they have not seen the anger, the frustration that I have had the opportunity to see. I have talked to many CUPE members, for example. I had the opportunity to talk to many, and we shared that opportunity.

I have not seen that level of anger and frustration in the 10 years I have been in this Legislature on labour relations issues. I think the only parallel was back in 1984 on another issue. You know, I have talked to people who have served longer than I have and been involved in labour relations; and, when I start hearing people saying Sterling Lyon was not all that bad in the labour movement, Ken MacMaster, I defeated in 1981, was not all that bad, when I hear myself saying that in the Legislature, something is happening.

I am wondering if you could maybe relay in a way that I cannot, although I understand what is happening, with your direct contacts with the grassroots, how people are reacting out there to this government and Bill 70, something that is really unparalleled since 1919.

* (0300)

Mr. Molst: Mr. Chairman, I said earlier that I believe the foundation of collective bargaining is trust. I do believe there are huge amounts of power involved in it, but I also believe favourable labour relations are based on mutual respect coupled with trust. I said earlier that I thought Bill 70 was an intrusion of such magnitude that it would break the trust between employers and employees.

I also know what is being called into question in my dealings with workers on the shop floor. This morning, at 7:45, when I go to that meeting, they are calling into question their trust in people such as myself. You might find that to be an odd statement, but I have told them that collective bargaining can work. I have told them that, when we formulate packages for negotiations, please do not expect to get what you go in with, even though every one can be articulated as being legitimate. I have encouraged people to enter into negotiations in the spirit of give-and-take, co-operation and, at times, firm stances, but it ain't over till it is over, and at times, we have been hours, minutes away from serious disputes which we have hammered out.

I told them in recent rounds of bargaining leading up to June 3 of this year, look it, it is tough bargaining. I do not believe we are going to get everything we want, but let us stick together. Let us play by the rules. When the rule book gets amended or altered or gutted to the extent that the rule book we have to live by is going to be altered by Bill 70, it is going to hurt the trust relationship not only between employees and employers but between employees and the unions that represent them.

I have always had a saying that it is an easy, easy thing to get into a dispute, extremely easy. It would be an easy thing for me to spank my daughter and send her to her room in a gesture of power, much harder thing to deal with the root of the conflict between us by sorting it out. It is a dumb analogy you might think, but it is exactly the same in labour relations, extremely easy to get on a picket line. It is hard to get off of one. It is easy to get on them. It is macho. Some might think it is macho. I have spent my career and many colleagues in my union and other unions have spent their careers trying to avoid that, to try to tone down the rhetoric.

In my dealings with politicians at other levels of government and employers who are not political, we have tried not to pepper our presentations with undue rhetoric. We have had serious

disagreements at times, but if we disagreed today on this round of collective bargaining and we settled for something less than fair, we knew we had to deal with each other next week when a plant had to be closed down. You are going to have to deal with those things. Workers have to be taken care of if you are going to close down a plant.

The employment relationships that I have had, I have told my members to trust the actions we are taking. They are going to call that into question because I have told them to play by the rules and the rules are being changed. I was brought up to respect those rules. I think the work ethic within the public sector in Manitoba is one to be applauded. We do not have what existed in many other countries in terms of shoddy public services and shoddy public servants. You as employers have mechanisms in place to weed out those public servants. You have a committed public work force, and you are trodding on their rights to such a degree that you are going to shatter the trust that the guy from MTS talked about earlier tonight. That is the biggest potential disaster about Bill 70.

Mr. Ashton: I signed the document, which was an agreement between the three parties, as House leader, signed by the minister and by the other opposition House leader, the Liberal House leader, which stated that final offer selection would be in place. It became a public document. It was communicated to members of the public.

I note in your presentation, you refer to one selector decision that has now become null and void, even though the government had said, signed officially, that it would be in place. I understand your sense in terms of trust. I understand what you are saying in terms of strikes because I have been through two strikes personally. I was through one in 1976 in Thompson and in 1981, actually, before I was elected. Actually, at the time, I do not think I really recognized the significance of what was happening. What did strike me after the fact was the fact, in many cases—in 1981, for example, that strike was about a lot more than the contract. It was about frustration. People were mad at the company. They were mad, and they were going to walk almost no matter what happened.

What I still remember from that process is how tough it was for the negotiating committee to negotiate once people walked. There was a lot at stake and a lot of difficulty, so I understand the context you are putting it in.

I want to ask you, since you are obviously feeling that pressure, as someone who is essentially a problem solver by background, because I believe that is what the labour movement is about—it is about problem solving, although that is not often portrayed to members of the public. It is about negotiations. It is about the 99.9 percent of contracts that are settled without strikes, without lockouts, through agreement. How is that going to affect your ability? Not only are we seeing the difficulty here with this bill that there are no negotiations with the government for one year, but now the government is saying, well, it is just going to be a one-year bill. I believe the Premier (Mr. Filmon) called it a temporary pause.

How are you going to be able to go back to the people you are going to meet tomorrow and say to them, well, we are frozen, but the government says it is only for a year, maybe, because they have not totally given up the possibility of introducing a second year? Even if we are to accept that, what is the reaction going to be from your members in starting the negotiating process all over again after, basically, one year's time, in terms of negotiations, has been wasted? What kind of reaction are you getting from people now?

Mr. Molst: Mr. Chairman, I guess if I—and I hear it when I sit in the gallery and watch Question Period in the main Chamber. I could give a glib response and say there has been no pause on prices. I will not do that. What is going to happen is what a presenter talked to you about a few hours ago. That was Mr. Olien. He talked about signing a document and giving his word that was a deal and then having somebody welsh on that, even though they had signed it. That is unforgivable. He did not know how you could repair that relationship again.

There is no magic about bargaining. I want to tell you, the toughest part of bargaining is bargaining within your own committee. I have sat face to face with politicians, with small committees and paid spokesmen, whatever you want to call me, and done a deal. I have gone back into the committee room and said, that is the deal, that is best I can get, that is the deal. I have spent more time in that committee room than I spent face to face with the employer and had a tougher time.

* (0310)

My skin has been peeled much further down my back by my own committee members than by any

employer, because people who are not face to face and not part of the so-called "short strokes" often do not realize why their proposal for paid daycare has not been granted. It is fair. That is bargaining. You do not get everything you want.

I am very worried, through the Chair to the member for Thompson (Mr. Ashton), that we are going to leave large negotiating committees, go into small rooms in an attempt to do deals, come back with a tentative deal—and it is only tentative, you must ratify it in your own hotel room—with people saying, well, big deal. It is initiated. Is it for real? Is it going to be snatched back, Paul? Are you selling me a bill of goods?

I want to tell you, the toughest part of bargaining is the compromise that each party comes to. You must sell it to your colleagues in cabinet and caucus, I guess, at some point. I know for a fact within political groups I have had to deal with there are people within that group who hate the deal. It is too much. It is too rich. It is crazy, but their colleagues who were at the bargaining table, who were privy to the arguments that the negotiators put forward, who were privy to the detailed days and days of presentation on the issue of whatever, technological change, contracting out, and were convinced that they ought to recommend that to their colleagues in cabinet or council, went back and sold it to their colleagues.

What do you think goes on on the union side of the bargaining table when we have dropped off an important proposal to some people? We go back and explain the compromise, and we get it. We get it good at times from our members. Eventually they become convinced, come to the conclusion, become aware, agree, a consensus is formed that the compromise was reasonable. Management does not want to give us this clause. We gave up this to get that.

We go back to our respective rooms at times. Political groups I have dealt with—and members here will know what I am talking about—political groups have taken upwards of 10 hours behind closed doors to ratify what their principal negotiators have shook hands on and signed. What do you think happens on the union side of the table? We take eight hours, nine hours. We have to go behind closed doors.

Our members are going to say, Paul, what do you have there? Is it here now, vanish later? Did you

bear our soul and get sucked in? They are going to call into question the integrity of the employer. By definition, because the employer cannot make a deal by himself, they will call into question what kind of deal the negotiators made. Then you do not have two parties. Collective bargaining is supposed to be two parties, the union and the employer. Then you have three parties, or you have the media out there, a fourth party. You have all these different things playing into it because there ain't no trust there.

I am not going to give a glib response to your question and quote some poll or something. I am going to say, there is a fundamental alteration going on here that I do not think can be repaired once 12 months is up without a lot of trial and tribulation between us.

Mr. Ashton: I appreciate your comments on that, because I know from people I have talked to—they are saying this will long be remembered, not strictly in a political context, although obviously that will always be a consideration for people since this bill, by definition, is a very political issue in terms of the impact in the workplace. What I do find frustrating, by the way, as someone who has been in public life for 10 years, is once that trust is gone the next step is cynicism, and it is cynicism that starts about the individuals and leads to a cynicism about the process.

I understand the difficulty of dealing in that situation. I find myself increasingly—as someone in public life, I start getting cynical, quite frankly, when signed documents do not mean anything, when campaign promises do not mean anything, when statements made two or three months ago do not mean anything.

I appreciate your comments tonight in dealing with that as lucidly as you did in very late circumstances. Thank you for that presentation, and we would just like to ask one final question, because I know you are very comprehensive in terms of the brief and touched on a wide-ranging series of issues. I realize you prefer in many ways to deal privately with individuals, but I have said this to other presenters. There is one thing, apart from items you have dealt with the broader issues, that you would want to address to someone who might be considering voting their conscience on this, some of the government members who might be keeping an open mind on this. What would it be? Out of all the issues you have touched with, fine—but one on one, what would you say to them if you had the

opportunity to really express to them why you feel they should not support this Bill 70?

Mr. Molst: Through the Chair, I would tell that person that a comment made earlier, not by myself, bears repeating, and that is that unions can be viewed one of two ways. They can be viewed as enemies of productivity, or enemies of the state, or enemies of employers; or they can be viewed as problem solvers. In the best trust relationships that I deal with, in the best circumstances, we are viewed as colleagues to solve problems, to get production going in a fair manner where employees are treated fairly. Nations in Europe have come to that understanding with their unions. They are not enemies of the state. They are partners, and they set aside narrow and parochial issues at times to deal with matters of state, matters of social policy.

I am very pleased, and I encourage all of you to read the 164-page decision of the Supreme Court which affirms the social significance of unions. We are not narrow groups that negotiate wages and overtime clauses for people. We have played a social role in this country, and we have the right to continue to do so, as determined by the courts.

I would tell people to look at the European model. Look at what Bob Hawke did in Australia upon his first term; he is now in his fourth consecutive. In his first term he signed what is known as the Australian Accord with Labour, which voluntary restraint was entered into by the trade union central and abided by voluntarily by all groups, public and private, to set aside extreme wage demands for a period of one year to get Australia back on a proper footing. There was a price to pay for the Hawke government for that. There was pension legislation of some magnitude, some deferment of payment to the workers, but there was an entered-into accord which bodes well as an example of what workers can do with government.

The social charters being floated in Europe right now which seek to bring up Portugal and Spain to certain standards before the harmonization of currency and the economy of Europe are examples of governments recognizing that there is a basement level of social responsibility, that they do not have to fight with working people about, that can be negotiated with workers.

I am sure that there is not a unanimous consensus in Europe or in Australia amongst working people about what was done in those instances, but it was

entered into responsibly. So if I had that moment that you spoke about, alone with whomever, I would tell them to think very carefully and value to a large degree the enormous potential that trust between labour and management can realize. It can realize governments out of situations like this government feels it is in, not get them further into trouble.

Mr. Lamoureux: Mr. Chairperson, I have only one question. First of all, I would like to thank you for making such a well-detailed presentation. That was really first class, very informative, I found.

The question is in regard to trust. Trust is something that has come up time after time throughout your presentation and now that trust has been violated because of Bill 70 being introduced. We heard earlier from a gentleman representing himself who worked with MTS and made reference to the MTX scandal and how long it took for the employees to get that behind them. My question to you is in terms of Bill 70. If it is passed, how long—or do you believe that the current administration or other administrations are going to be able to garner that trust back from, in particular, the MGEA and other Civil Service Crown corporations?

* (0320)

Mr. Molst: Through the Chair to the member for Inkster, I guess that depends on how you view the magnitude of Bill 70. Will it cause a temporary separation of government from its employees that can be patched up and conciliated and counselled, or will it cause a divorce between those parties? I think people get up in the morning and go to work wanting to do a good job. I do not know many people who get up in the morning wanting to do a bad job, but I know the frustration that is created in people's minds when their lying supervisors in those Crown corporations and their lying management, with funds set aside for wage increases who are ordered not to put those on the table, I know how frustrated those heads of those Crowns feel because they know that they are going to have to manage the day-to-day relations with the workers.

The workers are not—I believe witness Buckley was correct a few hours ago when he said, I do not think there is going to be a backlash. People are not going to go and sabotage the workplace. They are going to be frustrated. Those \$20,000 a year employees are going to get a second job. You tell me their head is in their job the next morning if they

work at another one all evening. Do not create a situation which has all the possibilities for breaking apart employment relationships.

The heads of the Crowns in Manitoba know they have good work forces. We have good solid relations with most Crown corporations in this province. Those Crowns do not like this policy one iota. They do not. They know the fallout and the years that the fallout can exist and in a fuller economy, a fuller employment economy, they would be losing workers right now. What purpose is served if Manitoba Telephone System invests in that fellow who was here tonight, 10 or 12 years of the people's money in making him into whatever he is, only to have him frustrated or to lose him? I think it is counterproductive for the employer and then by logical extension to the public. I think most employers want to create workers that want to work well for them.

(Mrs. Louise Dacquay, Acting Chairman, in the Chair)

One of the most fundamental normal things about a work relationship is a discussion of that relationship at regular intervals, and Bill 70 stops the discussion. Can it be kick-started again and restarted and repaired? Look it, we are going to continue to look at each other and negotiate once Bill 70 is long gone. We will be negotiating with each other, and this will be Hansard housed in books in libraries. I am saying, every time you trickle or set aside rights so broad as collective bargaining, you do a little bit of damage to the relationship which is irreparable. That does not mean the relationship cannot be put back on track, but a portion of it is not retrievable. That is the sadness. So to what extent, in which work situations, that will be divided up within those work locations.

It is an absolute tragedy that the government elected by the people last September would so intrude upon a fundamental right like collective bargaining. It is regrettable. It is something that my forebears, the people who fought before me for trade union rights—and I do not like even using the word fought. I was brought up to work hard, do a good job, respect employers, respect workers, respect the dignity of bargaining, and it absolutely shatters my belief in the collective bargaining process to see it set aside so quickly, but I know I will be here a year, two years from now, but once I am gone another person will be here, and the rights

of workers will be expressed to whatever government serves here in those years from now. Labour will continue to struggle to represent its members to the best of our ability.

The Acting Chairman (Mrs. Dacquay): Thank you, Mr. Moist, for your presentation.

Barry Belt? George Hammerling? Richard Lennon? Shirley Denesiuk? Is Richard Lennon here? You were called just prior to Shirley. I am sorry. The clerk has just drawn to my attention that you were present. Richard is on the list, No. 36. Please come forward. Do you have a written presentation and copies to submit to the committee?

Mr. Richard Lennon (Private Citizen): No, I do not.

The Acting Chairman (Mrs. Dacquay): Thank you. You may proceed.

Mr. Lennon: I would like to start off by thanking the committee for giving me the time to speak today on proposed Bill 70. I am going to be making my presentation to this committee as a private citizen.

Now the proposed Bill 70 is, I believe, unjust and a direct attack on the rights of working Manitobans to free collective bargaining. It will affect all Manitobans by lengthening the recession as well. Bill 70 is undemocratic and is a betrayal by Premier Gary Filmon, as he has previously stated that he would never tamper with free collective bargaining.

This change of position ultimately takes away the rights of public sector workers to bargain in good faith with their employers. This bill will lengthen the recession in this province and will destroy jobs as it takes away the buying power of public sector workers. Contrary to a well-known myth, most public sector workers have been losing spending power over the past 10 years as a result of inflation.

By implementing a wage freeze, most public sector workers, who have already been struggling under the current recession, will lose even more of their buying power. This buying power is crucial in supporting many businesses in Manitoba who might otherwise be forced to cut back, lay off employees, or even declare bankruptcy.

While public sector workers are forced to cut back, inflation continues to rise causing prices, profits and other forms of income to rise without any type of restraint. It is unfortunate that this government wants to hurt those most in need by freezing their wages and extending the recession.

(Mr. Chairman in the Chair)

As well, the reasons the government has put forward this bill must be questioned. Bill 70 is aimed at some of the lowest paid public employees, while many of the highest paid are exempt. Provincial judges, the president of MTS and even the Premier's own staff have, in fact, been receiving pay increases while other workers are forced to bear the burden of economic mismanagement by the current provincial government.

While from the outside this bill seems rather vicious, its contents are even worse. For example, in Section 2, subsection 3, the government has found a way to renege on certain agreements made between September 1, 1990, and June 3, 1991, where an agreement was made but where an actual collective agreement was not yet signed. This covers both agreements made under the final offer selection process as well as agreements made under an arbitration process. This bill would extend all collective agreements which expired during that term, whether or not a decision of a selector, arbitrator or arbitration board has been rendered. For the government to do this is to go back on its promises. How can Manitobans trust such a government in the future?

In Section 4 of this bill, the government has made this act to prevail over every other regulation, decision, obligation, right, claim, agreement or arrangement of any kind. One could question why the Filmon government would put this undemocratic, unjustified bill over all other previous promises and agreements the government has made, as well as the human rights act.

In Section 6, subsection 3, the act states once again that any processes that related to the renewal or replacement of a collective agreement are void. In some cases, this has put many months of progress between governments and employees to waste.

In Section 9, subsection 1, the door has been left open to extending this bill to any collective agreement in Manitoba as well as extending the wage freeze over collective agreements for past the current one-year limit.

Subsection 6 of the same section states, and I quote: The Lieutenant Governor in Council may make regulations extending the application of all or any part of this act to any collective agreement on

any terms and conditions that the Lieutenant Governor in Council considers appropriate.

In other words, by a simple back-room cabinet decision this act could be extended to any collective agreement, whether public or private and on any terms whatsoever. When a vote on important changes to this act does not even have to be put to our representatives in the Legislature, this makes the bill all that more undemocratic and all that more an attack on Manitobans' rights as voters. As well, if the government were to extend this bill over all Manitobans and all collective agreements, it could drive Manitoba into a deeper recession than the current one by cutting the spending power even more of Manitobans.

The government has said it would not extend this act to all collective agreements. Manitobans should beware if previous promises by this government are any indication. As well, in Section 9, subsection 1, the government could extend the wage freeze for an extra year over collective agreements currently covered by Bill 70. This would, of course, only cause working families to suffer more than they have already.

* (0330)

As I have shown, Bill 70 is an attack on rights of Manitobans as well as being detrimental to the Manitoba economy. However, this bill seems to be only a part of the government's series of attacks on Manitobans. Bill 70 is an attack on workers. Cutbacks and changes to Child and Family Services are an attack on families and children. Increases in tuition fees and cutbacks in student employment programs are an attack on youth. There are similar attacks on cultural groups, women's groups and social programs, and these are but a few of the attacks on people by the Progressive Conservative agenda across Canada. Being still years before an expected election, many Manitobans must be wondering if their jobs and standard of living are next on this government's hit list.

As a concerned Manitoba voter, I urge this government and this committee to withdraw and oppose Bill 70 as it attacks our fundamental rights and takes away money from those who can least afford it. Thank you.

Mr. Ashton: I wanted to commend the presenter for a well-researched brief in terms of the specific sections. It is very much a far-reaching bill, and it is very Draconian in its impact. I want to ask, because

I have not had the opportunity to go through the bill and look at those sections, whether he has any concerns about the fact that, as part of this bill, this government can literally with a stroke of a pen do most anything it wishes involving the collective bargaining process and collective agreements.

I am wondering if the presenter had any comments on those sections of the bill—I noticed he referenced other sections—but specifically on the powers of this government now by Order-in-Council to make sweeping moves that affect the collective bargaining process.

Mr. Lennon: As I was stating before, I think specifically Section 9 of the agreement talks about Lieutenant Governor in Council which can make decisions by cabinet. I think when you are talking about major decisions—and you could extend this freeze over all public collective agreements over all Manitobans—it does not really specify, and it says right away that it only needs to be decided in council.

I think, as a voter myself, I find that really undemocratic. I think it should go to the House at least to be put to all MLAs and all the representatives in the House. That is one of the parts I have had the most trouble with about this act.

Mr. Ashton: I appreciate once again your comments. I know this bill is not a lengthy bill but it is fairly complex in its sections, and I wish more people would take the time, as you have, to read through the specific sections. I, quite frankly, feel that even the most disinterested Manitoban—when I say “disinterested” I am saying in the sense that people might not otherwise follow bills of this nature and might not, perhaps, have as much at stake as some others. I am sure we have had the same reaction that you did, which is, this bill is very far-reaching and Draconian. So I appreciate the research and I appreciate your comments. Thank you very much.

Mr. Chairman: Thank you very much, Mr. Lennon, for your presentation.

Number 37, Shirley Denesiuk. Do you have a written presentation?

Ms. Shirley Denesluk (Canadian Union of Public Employees, Local 998): Yes, I do.

Mr. Chairman: If you could wait until it is distributed. Would you give me the correct pronunciation of your name?

Ms. Denesluk: I say “Denesiuk.”

Mr. Chairman: Denesiuk. In that case, I will say “Denesiuk,” or I will try. Go ahead, Ms. Denesiuk.

Ms. Denesluk: Ladies and gentlemen of the committee, my name is Shirley Denesiuk. I work at Manitoba Hydro. I have been employed at Hydro for approximately 17 years, and I am here on behalf of the Canadian Union of Public Employees, Local 998.

We welcome this opportunity to make a submission to this committee of the Legislature about Bill 70. CUPE Local 998 represents over 900 employees working in clerical, administrative and technical positions with Manitoba Hydro. We represent the inside workers at Manitoba Hydro. Last night you heard from Ron McLean. Their union, the IBEW, represents the outside workers at Manitoba Hydro.

The Manitoba Division of CUPE has already addressed this committee. Local 998 stands firmly behind the positions taken in that presentation and is in full agreement with arguments made. It is not our intention merely to repeat these positions and arguments. Therefore, this committee should be apprised that our remaining silent on any substantive matter raised in the CUPE Manitoba brief does not, in any way, indicate that our local considers these matters to be unimportant. Rather, we feel that the CUPE Manitoba brief speaks for all CUPE members on points germane to the issue. Nevertheless, our position as employees of a Crown corporation owned by the provincial government compels us to speak specifically to the impact of this legislation on members of Local 998.

It would be impossible for us to understate our opposition to this extremely regressive piece of legislation. Bill 70 has frozen our wages and denied us fundamental rights to free collective bargaining that millions of workers around the world enjoy. Not only are our wages frozen but all other terms and conditions of our employment with Manitoba Hydro are frozen as well.

Does it come as any surprise to you then that we are opposed to this legislation? Of course not. It should not come as any surprise that we are very angry about having a most unfair piece of legislation masquerading as fiscal policy foisted upon public employees in Manitoba.

Wage freezes do nothing to alleviate provincial deficits and do nothing to stimulate an economy in recession. All it does is take millions of dollars out

of the economy at a time when the economy desperately needs leadership which will boost confidence in the economy and increase consumers' purchasing power.

The remainder of our submission, ladies and gentlemen, will focus on the extremely unfair impact that this legislation has on employees of Manitoba Hydro.

As employees of a Crown corporation owned by the Manitoba government, we fall, to our bewilderment and dismay, under the terms of Bill 70.

It was not many months ago that Premier Filmon stood in the Legislature to assure public employees that free collective bargaining would be respected in Manitoba, and I quote: "We will act in good faith at all times in the open free collective bargaining process with all the employees with whom we have to negotiate." Premier Filmon has betrayed these words and has destroyed free collective bargaining for a period of one year.

The free collective bargaining process has always worked reasonably well within Manitoba Hydro until Bill 70 intervened. Negotiations have always been tough, as one should expect, but over the years CUPE and Manitoba Hydro have been able to reach responsible, mutually agreeable settlements. The bargaining record shows that negotiations have never had to be resolved as a result of a strike. Both sides have been willing and able to "bang out" an agreement.

We believe that the bargaining climate at Manitoba Hydro has been a workable one because the employees are recognized as valuable resources to the organization and integral to meeting its mandate of providing hydro-electric power to the province. The President and Chief Executive Officer of Manitoba Hydro, Mr. R. B. Brennan, states in the annual report for the year ending March 31, 1990, and I quote: "The success of any organization in today's rapidly changing business and technological environment is largely dependent upon the competence and resourcefulness of its employees. At Manitoba Hydro, we are richly endowed with an outstanding group of employees and I thank them for their efforts during the year."

* (0340)

The integral role of the employees is further recognized in the main body of the annual report, and I quote again: "High quality customer service

can only be maintained through our employees' continued commitment to the attainment of this goal." "The successful operation of Manitoba Hydro depends on its people. Day after day, they demonstrate their commitment to maintaining a continuous supply of electricity to the people they serve. All Manitoba Hydro staff share a concern for providing Manitobans with high quality service both now and in the future."

There can be no question that the employees of Manitoba Hydro are central to the provision of a quality service in Manitoba and this contribution is recognized as such by the board of Manitoba Hydro.

Finance Minister Clayton Manness has indicated that the ability of the Manitoba government to pay for wage increases played an important role in the decision to implement a wage freeze. This rationale is extremely misguided and is being used to place the responsibility for the state of the economy at the feet of public sector workers rather than at the feet of Premier Filmon and Prime Minister Mulroney who have mismanaged the economy to the point of creating a "made in Canada" recession.

It is not the ability of the government to pay which should be at issue here. Rather, it is the ability of Conservative governments, at both the provincial and federal levels, to meet their obligations to the citizens of Manitoba and Canada which should be under scrutiny.

The concept of "ability to pay" is, at its heart, a political concept rather than an economic one when applied to the public sector. The ability of a government to pay for wage increases is limited only by the government's ability to tax or to borrow the necessary money.

This fact has been acknowledged by arbitrators for many years now. Owen Shime, one of Canada's most esteemed arbitrators, made the definitive statement on this matter in 1976. Arbitrator Shime's position on the "ability to pay" is almost universally accepted and is summed up rather bluntly by Innes Christie in a 1981 University of Toronto decision. He said: "Interest arbitrations in the Canadian public sector have not allowed governments as employers to hide behind their own skirts in their role as a source of funds."

This is clearly what the Filmon government is doing. It is attempting to hide behind its own political agenda in order to deny public employees fair and equitable wages. This government has

decided, unilaterally, to place the burden of paying for public services squarely on the shoulders of those who provide the services. The wage freeze is designed to ensure that public employees in Manitoba receive substandard wages and that they fall behind in their purchasing power.

What of Crown corporations? The government owns Manitoba Hydro but raising revenue is not exactly the same as providing funds out of general revenues from taxation. However, the corporation can and does apply to the Public Utilities Board for approval of average general consumers' rate increases.

The most recent rate increases were granted and implemented on April 1, 1989. At that time it was 5 percent—April 1, 1990, 4 percent and this year on April 1, 1991, 3.5 percent. The April 1, 1991 increase added additional revenues to the corporation of approximately \$21 million. Manitoba Hydro has every opportunity to ensure that users of electricity, especially corporate users, share in the cost of producing that electricity. When the cost is spread out over all the users, the burden for any individual is not very great.

All the financial data indicates that Manitoba Hydro has been very successful in meeting its mandate over the past six years and is in very good fiscal shape. Now, the graph on the bottom of page 7 indicates that the corporation has shown a profit in four of the last six years. It is actually longer than that. This is a graph from the last annual report of Manitoba Hydro. The new report is not out, at least not to people like me, yet.

The net profit for the year ending March 31, 1990, was \$24.2 million, and Manitoba Hydro has also indicated that the financial results to March 31, 1991, indicate a record net income of approximately \$48.5 million for the year.

The financial reserves of the corporation were healthy at \$116.6 million in 1990 and have improved at approximately \$165 million as of the end of March 1991. The reserves have never fallen below their \$78.4 million level in 1984.

The graph on the bottom of page 8 indicates that revenues have been consistent over the past six years, from \$506.4 million in 1985 to \$664.1 million in 1990. The expected revenue for the 1991 fiscal year is approximately \$700 million.

These figures all indicate that Manitoba Hydro is a healthy Crown corporation. When any kind of

ability-to-pay criteria are applied to the finances of the corporation, it is clear that it has the ability to pay, and the wages and working conditions of its employees should be subject to the usual process of collective bargaining. There is no economic reason for Manitoba Hydro employees to have their wages frozen.

The underlying motive for the Filmon government, then, must be political. They have decided that Crown corporations are to be included in Bill 70 primarily to drive down all wages in Manitoba, to redistribute government tax revenues to corporate interests that are clamouring for investment incentives and subsidies and to ensure that profits continue to be made by the Crown corporations in question. The political agenda of the Tories is to help their friends in the corporate community during recessionary times. They can do this by taking money out of the pockets of public sector workers.

In the case of Manitoba Hydro, the wage freeze makes no sense. The corporation's ability to pay is clearly demonstrated. The unions at Manitoba Hydro and the employer should be at the table negotiating the workers' fair share of the corporation's economic success. We should be there right now, but the Filmon government has denied workers that right. Instead, Manitoba Hydro employees are subsidizing the consumer rates for hydro-electricity in the province, and they are subsidizing the profitability of the corporation.

The money that should rightfully be allocated to employees in the form of wage increases is being appropriated by the corporation at the instigation of the Progressive Conservative government for its own financial reserves. This will allow Manitoba Hydro to provide electric power at less cost to both public consumers and private sector corporate consumers. Any gain to the Manitoba public on this matter is very small when compared to the millions of dollars that the wage freeze will siphon out of the economy and the stimulus that this money would provide to an economy in a recession. It is a reprehensible situation where employees are ordered to sacrifice their own standard of living for the profitability of a government-owned Crown corporation.

On page 11 we talk about what CUPE Local 998 members stand to lose because of Bill 70. The wage freeze will take real dollars out of the pockets of our members. Workers will see their purchasing power eroded by a percentage amount equal to the

rate of inflation during the period that their wages are frozen.

The annual average rate of inflation, as measured by increases in the consumer price index, in Winnipeg for 1990 was 4.6 percent. However, the highly inflationary goods and services tax that was introduced on January 1, 1991, almost immediately drove up inflation rates across the country by close to 2 percent. The rate of inflation for the city of Winnipeg in January 1991 was 6.8 percent. If it were not for the impact of the recession, the rate of inflation probably would have jumped even higher than it did. Nevertheless, over the first five months of 1991, the average percentage increase in the CPI was 6 percent over the same period a year earlier.

* (0350)

It is always difficult to forecast rates of inflation, but we can make an educated guess as to what the rate will be for the period covered by the wage freeze. Given that the average is 6 percent for the first five months, it would be a very conservative estimate to say that the annual average for 1991 would be in the area of 5.5 percent. Let us use this conservative estimate just as a case in point.

An entry level Clerk I at Manitoba Hydro earns \$8.07 per hour or approximately \$15,211 per year. This wage, by the way, is far below the poverty line of \$29,494 for a family of four living in an urban area with a population greater than 500,000. This worker, this Clerk I, will lose about \$837 in purchasing power over the 1991 year.

The top wage for a Library Technician II at Manitoba Hydro is \$14.09 per hour, or \$26,560 per year. At a 5.5 percent rate of inflation, this worker will lose \$1,461 in real dollar terms this year. The top rate in our collective agreement is \$26.78 an hour. An example of a position which would be paid at this rate is the Process Control System Software Specialist IV. At a yearly salary of \$50,480, this worker will lose \$2,776 over the course of 1991.

The Filmon government shows no concern for the fact that it is freezing the wages of many workers who are already subsisting below the poverty line, and it is unashamedly taking thousands of dollars out of the pockets of our members who do earn a decent living wage.

This is to say nothing of the fact that CUPE Local 998 wages have lagged behind the rate of inflation in Manitoba in both the short and the long term. As well, the gross domestic product in Manitoba has

increased significantly over the past eight years. If you look at the graph on the next page, on page 13, it shows that the increase in CUPE wages at Manitoba Hydro have lagged behind percentage increases in the gross domestic product as well as inflation. If you look between 1987 and 1989, CUPE Local 998 wages went up 11.18 percent. The Winnipeg CPI went up 13.7 percent, and the GDP went up 24.3 percent. If you look at even the longer term, '83 to '89, our wages went up 27.2, Winnipeg CPI went up 36.99 percent and the GDP went up 63.7 percent.

We mentioned earlier that our members have a right to share in the prosperity of the corporation. We would also argue more generally that all public sector workers contribute to rising overall input in the economy. Many arbitrators have written that it would be unfair to deny public sector workers their fair share in the prosperity our economy generates simply because they are public sector workers, or because it may be more difficult to measure the value of what they produce.

CUPE Local 998 members are entitled to a share in the economic prosperity of Manitoba Hydro and the province. The productivity of our members is not in question. Manitoba Hydro's financial bottom line and the recognition from top management of our employees' value attest to that fact. Yet, Finance Minister Manness and this government are determined that we should not share in the rewards. We have seen our wages eroded by inflation. We have not received our fair share of economic growth, and Premier Filmon through Bill 70 is denying us a basic right to go to the table to negotiate these matters. This situation is grossly unfair, unjust and deplorable.

We believe Bill 70 is based on bad economics. It will seriously reduce the earnings and purchasing power of CUPE members, of other public employees and of all others who participate in Manitoba's economy. Public employees are being told to tighten their belts and sacrifice their income so that the province's economy can recuperate and so that the province can reduce its debt.

We know, however, that wage freezes do not foster recovery. Wage freezes only serve to keep the economy in recession and to ensure that governments have monies available for subsidies and grants to the corporate sector. The earning power of Manitoba's public employees is being sacrificed, not for the well-being of all Manitobans

but for the good of corporate economic interests. Once again, public employees are scapegoats for economic woes which are not of their own making.

The thrust of all wage restraint programs is to lower wages and living standards of working people. This occurs not just temporarily, as the government claims, but permanently. Once wages fall behind the rate of inflation, it is extremely difficult for workers to catch up. Many years of very, very tough collective bargaining would be necessary to recoup any loss in real earning power which results from a wage freeze.

Some economists estimate that approximately \$70.1 million will be taken out of the Manitoba economy as a result of this wage freeze. This figure assumes that there would have been an average wage increase of 4.6 per cent for workers covered by this legislation. This will result in future tax losses to the province of approximately \$17.5 million. The fact that the Filmon government is knowingly and eagerly taking \$70 million out of the pockets of Manitoba's public employees is an indication that the Progressive Conservatives have little regard for ordinary workers.

This money is lost to the economy. It will never be spent on the purchase of goods and services as it would have been if it were rightly allocated to workers in the form of wage increases and other financial improvements. Instead, there is every likelihood that this government will use the money to offer further subsidies and incentives to corporations which pay little or no tax.

The effects of Bill 70 on CUPE Local 998 are nothing short of disastrous. It takes thousands of dollars directly out of the pockets of our members in lost purchasing power. It denies us the right to negotiate other terms and conditions of employment. It adversely affects the morale of a work force committed to providing a quality service to a deserving Manitoba public. It demonstrates to us the complete and utter disdain that the Filmon government has for our members, workers which the board of Manitoba Hydro holds in high regard as valuable resources to the corporation.

Bill 70 is not the foundation for sound economic policy which will lead to recovery in Manitoba's economy. It can only worsen the situation of all workers in the province by eroding their purchasing power.

CUPE Local 998 urges this committee in no uncertain terms to recommend withdrawal of Bill 70. Failing that, we urge the members of the Legislature as a whole to defeat this deplorable piece of legislation. Thank you, Mr. Chairperson.

Mr. Chairman: Thank you, Ms. Denesiuk. How do I pronounce it again?

Ms. Denesluk: Denesiuk. You forgot.

Mr. Chairman: Are there any questions?

Mr. Hickes: I just have one question. You are with Manitoba Hydro. I would just like to know what the morale of other staff members who do work for Hydro—what are they experiencing right now because of Bill 70?

Ms. Denesluk: To put it simply, morale is steadily declining. You perhaps were not here last night when Ron McLean, a business agent for IBEW Local 2034 spoke about how his members felt about Bill 70. Our members are, I guess to put it bluntly, pissed off. -(interjection)- I am not finished. They are pissed off. They are getting tired. They are getting cynical.

I am actually amazed at how many people in the work force, people that I never knew thought about things like labour legislation, who normally do not talk about things like wage freezes, coming up to people in the union and saying, what is going on? Why is this happening? Hydro is doing okay; they were going to give us something. What happened? Then, when you say, Bill 70, they talk about what they think of the wage freeze.

* (0400)

I am amazed at how many people know about the other parts of the legislation that may mean further erosion of their bargaining rights later. I am amazed at how many people are really concerned that this bill not only freezes their wages and current collective agreement conditions, but the sweeping powers that the government is going to have, if it wants them, if this bill passes. People are talking about it, and actually I am amazed at the fact that some people who would normally never care about stuff like that are starting to care, are asking questions and are saying, what is going on?

Our members do not think this is fair. We work for Hydro. We know what the financial position is. We are pretty sure that if it was not for the government's interference, we would have gotten something better than a zero and two. We do not

know what it is, and it might have been tough. We might not have gotten anything better, but we think we would have. All of a sudden, bang—you guys have nothing.

Mr. Chairman: Thank you, Ms. Denesiuk. Are there any further questions? If not, thank you very much for your presentation.

Terry Turcan; No. 39, Steven Bridges; No. 40, Bill Anderson; No. 41, Carolyn Stadler and No. 42 is Martin J. Stadler.

Do you have a written presentation, Mr. Stadler?

Mr. Martin J. Stadler (Private Citizen): No, I do not.

Mr. Chairman: In that case, just carry on.

Mr. Stadler: Hi. My name is Martin Stadler. I speak as a private citizen. My wife would have loved to be here. Unfortunately, she has to be at work at 7 a.m.

I would like to say on the record that I resent the way this is being conducted. I was advised by the Clerk of the Legislature that we were to speak after 8 p.m. tomorrow. We arranged for a babysitter so we could both be here. I got a phone call at approximately 1:30 a.m. that I had better get here because apparently the government is in a bit of a hurry. It is a strange thing that, you know, any time involuntary copulation takes place, one party is always in a hurry.

Now, I take great pleasure in seeing that the minister responsible looks as tired as I feel. If I lose my concentration for a minute, please bear with me. I am having a hard time staying awake. I have a little baby. I do not get much sleep as it is.

I was not born in Canada. I came here in 1968 after I watched the Soviet tanks roll through Prague. I was 13 years old. With a little hired help I made my own way through the iron curtain and I met my family in Vienna. From Vienna we were admitted into Canada as immigrants. So I do not think I will have to convince you that I am no socialist or communist. The reason I am here is because of what I see wrong with Bill 70. It is the type of a bill that I would expect to see in Czechoslovakia passed by President Novotny in the 1960s, or it might have been Benito Mussolini when he stepped all over the miners' rights in northern Italy in the 1930s. You see, there is really not much difference between left-wing tyranny and right-wing tyranny, and that is what this bill is.

Now, I value democracy dearly. It is one of the dearest things to me after I came to Canada. I even ran in a 1988 election. I got about 30 percent of the vote. I am concerned because Bill 70 takes away the basic principles of collective bargaining. Now, as far as I am concerned, a fundamental principle of democracy is collective bargaining.

If you look at all dictatorships, minor or major, in ages past, one of the first things that happen is the workers got abused. Now I realize that there are occasions when a government has to step in. I mean if the firemen go on strike, if the police go on strike, if the doctors should go on strike, public welfare is at stake, two parties cannot agree to a contract, a government has the right to legislate them back to work, call in an arbitrator to bring a fair settlement. But that is not what happened here. The MGEA, the Manitoba Government Employees' Association, was before arbitration. The government knew damn well that their position was unfair—

Mr. Chairman: Order, please. I would ask you to refrain from using some of the language.

Mr. Stadler: Thank you, I will try harder.

The government knew very well that their position was unjustified and if they took it to arbitration it would have been unwinnable. So rather than let democracy take its course, they basically decided to legislate a contract. Now I cannot conceive any contract law in any democratic country, whether you are talking about common law or legislated law—I am not a lawyer—whatever law, I cannot conceive of any contract law where you have two parties subject to a contract and one party can basically impose its will on the other and call it a contract. It is not a contract, it is dictatorship.

What is worse is, the government did not just extend the contract, they picked and chose. They took sections which they did not like, namely, the parking fees that they lost in arbitration on, they started charging again. The no-layoff clause, they said, well, that terminates now, we can lay off all these people. Hey, but when it comes to wages and benefits, we will just stretch that part, because that we like.

They have been going around the province telling people how overpaid the civil servants are and how poor the government is and the government cannot pay anymore. The fact is that our civil servants have been basically very reasonable. They have

been signing concession contracts for the last seven or eight years. Every one of those contracts was below the level of inflation.

Gee, I remember I started at Red River Community College in 1979. I was making \$14,000 a year for fixing electronic equipment. I believe I am good at what I do and I believed I was earning a fair wage. Well, this April, just before I got laid off, I was making roughly \$30,000 a year, which seems like a lot until you realize that about \$10,500 of that was clawed back by the government of one level or another, so I never really saw that. My net income was about \$20,000 a year. My standard of living is far less in 1991 than it was in 1979. That was after 12 years of service at Red River Community College.

You know, I am pleased to see that the government found \$3 million to give to the Royal Trust Corporation as an incentive interest-free loan so that they could build what they call a collection agency in Winnipeg and hire 50 people. It turns out I have a mortgage with that company, and if someday I cannot pay up, it is good to know they are going to be well-equipped to foreclose on my mortgage.

As it turns out, I worked, my wife works, we have a baby. Our parents baby-sit because we cannot afford to pay \$400 a month in daycare. We have an old house that was built in 1910, and I have been working on it since 1979, and it is still not finished, and I have a mortgage on it. I have a nice car, and I should say I bought it back in 1981. It is not a nice car anymore. I drive it on studded tires because I cannot afford to put summer tires on it. I do not drive it much because I do not want to get caught.

* (0410)

We have been without a contract at Red River since last fall. We were not asking for a heck of a lot of money, but we wanted to keep up with inflation. We could not afford to fall any further behind. Well, it does not matter actually, because I got laid off in April with 24-hours notice. As it turns out, the government cut \$3 million—what a coincidence—from the Red River Community College budget which resulted in 100 layoffs. Mind you, I think Royal Trust is going to hire 50 of those people probably, maybe at half the wage.

Pardon me if I sound angry, but I am angry, and I feel justifiably so. I was good at what I did. I came and I always used to say that if the government

cannot use my services, they not only have the right to lay me off, they have an obligation, but that is not what happened. I used to fix electronic equipment. They paid me \$16 an hour of which roughly one-third went back into taxes.

I used to work on oscilloscopes, spectrum analyzers, computers, signal generators, power supplies, electronic drafting stations, you name it. Millions of dollars worth of equipment at Red River Community College, four technicians looking after it, each one of them specialized in a different area. The four of us complemented each other; we got the job done. We were grossly understaffed, but we got it done.

Well, as it turns out, the government is now sending out the equipment that I do not fix. Some of it is cheap. It goes to Pulse Electronics at \$40 an hour. Some of it Pulse cannot handle, it goes back to Techtronics at \$150 an hour. Some of it goes to Vancouver, some of goes to as far as Oregon.

When an oscilloscope breaks down, I used to be able to fix it in a matter of hours. We had the parts; we could do the job. Now it is getting sent out. Not only does it cost more, but if that oscilloscope breaks, the lab is minus one oscilloscope for three or four weeks until it comes back.

So do not tell me that the government has to put in Bill 70 to save money because the government is wasting money, and as long as the government continues to waste money, I have no sympathy for this government. I believe very strongly in a responsible fiscal policy. I believe the government should make every effort to balance its books, but I would be very pleased if the government used a little intelligence when they go about it.

Basically, I think Bill 70 is Draconian. It has no place in a democracy, and I think it is unjustified. That is all I have to say today. Thank you.

Mr. Chairman: Thank you, Mr. Stadler. I believe there is a question for you.

Mr. Ashton: I want to thank the presenter. I find your comments from your own personal experience to be very, very relevant to some of the discussions that even took place yesterday.

We were involved in a discussion with some of the presenters about the fact that what is happening in eastern Europe essentially started in Poland in 1979, with Solidarity, the trade union movement, and that one of the first struggles in democracy in

that eastern European country was the struggle for free trade unions and free collective bargaining.

I appreciate your comments, having come from the experience of Czechoslovakia in 1968, with the repression of what in retrospect now, compared to what is happening, were really minor reforms obviously, but were considered dangerous to the system at that time, and I appreciate your own perspective, having gone through the layoffs.

I talked to other people who had the same frustration as well, the same concern about the lack of logic, but I found it particularly fascinating, your comments about having been through your own experience and your obvious deep respect and desire for democracy. It is something I know that a lot of people who have grown up in Canada do not understand.

My wife is from Greece which went through a military dictatorship, and believe you me, she knows what democracy is about. She knows what it is like when you have to stand in front of tanks as an unarmed student to protest. She knows what it is like when people have died for democracy, so I know perhaps at four in the morning, it is maybe unfortunate that we may not understand that.

I have never been through that, but I feel I am beginning to understand why you would feel strongly enough to stay until 4:15 in the morning and express your concerns to us, and I really thank you for your personal perspective on Bill 70.

Mr. Stadler: I would like to thank the committee for letting me speak my mind, I guess.

Mr. Chairman: Thank you very much, Mr. Stadler, for coming out. Number 43, Lyle Trochim; No. 44, Marty Dolin; 45, Ross C. Martin; 46, Dr. Gerry McKinney; 47, Jan Chaboyer; 48, Raymond Burgess; 49, Bob Collister; 50, Lynn Jonasson; 51, Chery Johnson; 52, Marie Clow. Is there a written presentation, Ms. Clow?

Ms. Marie Clow (Private Citizen): No, there is not.

Mr. Chairman: Okay, then just go ahead. Just turn the mikes in.

Ms. Clow: Thank you for giving me this opportunity to speak, even if it is very early in the morning.

I am a health care aide, and I work in a personal care home. My salary is around \$21,000. The last agreement we signed was in 1988. At that time, we got 3 percent the first year, 3 percent the second, COLA clause in the third year. We were to

negotiate an agreement this year. The standing joke always was, well, so what, if they give 3 percent, the government is going to find a way to take away at least 2.5 percent.

Well, as you know, we get nothing this year, and the government is still finding a way to take away some money. I do not think it is fair, and I am really appalled at the fact that I have lost my right to negotiate an agreement. I mean, what country am I living in? I cannot believe it.

Not only have you frozen our wages, but we cannot even open the agreement to discuss such things as uniform allowance. Uniform allowance has gone up at least 35 percent in the last three years, but the agreement is closed. My employer is laughing all the way to the bank. He does not have to worry about paying us more money this year. It is great for him.

* (0420)

Now we also have a dental plan, and the premiums for that dental plan are negotiated every year, simply because every year my dentist's fee goes up. Right now, the company is paying for me at a 1990 rate. When I go the dentist next month, if he charges me the '91 rates, I have to pay the difference. I do not think it is fair. I mean, I am not only losing in salary, I am also losing in benefits.

I also noted on Tuesday night that the Conservatives found it quite easy to vote not to let this committee go outside the city of Winnipeg. Well, I guarantee you, if you were looking for votes, you would find a way to get out of this city. I do not think it is right. Give the other people a chance to express their opinion.

You went all over the province whenever it was an election year, but boy, when it comes to Bill 70, you want to sit in this room that is loaded with mosquitoes, and really, talking about mosquitoes, if you want to waste our money, why in the hell do you not put screens on the windows? It is our building. We are paying for it. You let us come here and suffer through this at 4:30 in the morning. That is all I have to say.

Mr. Chairman: Thank you, Ms. Clow. There are a number of questions, if you do not mind.

Mr. Manness: Thank you very much, Ms. Clow. I want to go on record to say that the government will do everything it can within the benefits area, within the regulations to make sure that whatever benefits you have now are not lost or that there is not an

increased premium charge on you. That is a commitment I have made to others.

I cannot bring it in by way of an amendment to the bill, but certainly it is the intention by way of regulation to safeguard your premium levels so that you are not requested as an employee, or locked into paying more for the same level of benefits.

That still, I am sure, does not take away your total—

Ms. Clow: No.

Mr. Manness: —disliking of the bill, but the reality is we are trying to apply common sense wherever we can.

Mr. Ashton: Thank you. I appreciate, by the way, your perspective because as you indicate in the context of getting out of this building into areas across the province, which we had hoped would happen, the other thing, as I have said at other committee hearings is, it has been a bunker mentality that people can get into in this building.

One of the problems with this bill, I feel personally, is that the people who have drafted it have never really taken the time to talk to the people who are going to be affected on a one-on-one basis. It is a lot easier to dismiss people and their concerns when you can caricature things, and I have seen figures trotted out, government members saying, oh well, civil servants are well paid compared to here or are well paid compared to the private sector.

I just want to ask again so it is clear on the record: How much do you receive?

Ms. Clow: Less than \$21,000 a year.

Mr. Ashton: So assuming you received a cost-of-living increase, that would have been maybe what \$1,200 or \$1,300?

Ms. Clow: About.

Mr. Ashton: So this government by passing Bill 70, for someone such as yourself earning \$21,000, is going to be taking \$1,200 to \$1,300 out of your pocket?

Ms. Clow: At least. Plus, I mean, the rising cost of water, hydro, telephone, property taxes went up. You know, it is ridiculous. I am not only losing \$1,200 for 1991; I am losing a lot more than that. They want to keep taxes down. Where are you keeping the taxes down? Keeping salaries down, that is for sure.

Mr. Ashton: Well, exactly, and obviously too, if you lose that increase this year, when are you ever going to make it up? That is another concern.

Ms. Clow: Never.

Mr. Ashton: I have another question, because I am sure some of the people you work with are affected as well and perhaps will not be able to come before the committee. I really commend you, by the way, for being here at 4:25 in the morning.

Ms. Clow: I have to be at work in three hours.

Mr. Ashton: Amazing. I really commend you for sticking here and expressing views, but what is the reaction of your fellow workers? The Minister of Labour (Mr. Praznik) said that public sector workers are—and I can give you the exact quote, I have it right in my office—are willing to show sacrifice or pleased to show What are your fellow workers saying about Bill 70?

Ms. Clow: They are absolutely livid because the workload does not get any lighter, and here we are working for at least, well, I am going to say, till the end of '92, because I cannot see it changing before then, at least to the end of '92 with no hope of an increase. You know, our work does not get any lighter and they are absolutely livid. We have a lot of single-parent families. They have got to keep on working. Either that, I guess, or they would be within their right to go on the welfare rolls, but then our taxes are going to go up more to support that.

Mr. Ashton: I assume most of your fellow workers are working for similar sorts of pay scales.

Ms. Clow: Oh, yes. I am at the top. I have been there 18 years.

Mr. Ashton: After 18 years, you are at the top, you are earning \$21,000, so most of your fellow workers would be earning less than that.

Ms. Clow: Sure.

Mr. Ashton: These are the people that are being frozen.

Ms. Clow: That is right.

Mr. Ashton: Mr. Chairperson, I do not know how many more people such as the presenter have to come before this committee for members of the committee to realize what they are doing. I think this is one of the most disgusting things about Bill 70, that someone earning \$21,000 a year or less is going to have their wages frozen. Well, we all know prices and God knows what else is going to go up for the next period of time.

I really thank you, by the way, because I think you, at 4:30 in the morning, probably brought the kind of personal direct experience that members of this committee have got to have, even the ones who maybe will not change their mind and are going to force this through. I hope we are going to have the courtesy to talk to people such as yourself and find out what it is going to be like living on \$21,000 a year and then having a wage freeze thrown on top. I really thank you for coming forward.

Mr. Chairman: Thank you, Ms. Clow.

Number 53, Heather Zuk; 54, Bob Deans; 55, Ry Hass; 56, Evan M. Olfert; 57, F. Blodeau; 58, L. Cassista; 59, R. Anderson; 60, D. Skwarchuk.

Point of Order

Mr. Manness: Mr. Chairman, I think in fairness that is as many names as we should call tonight. I understand there are two other presenters, though, that are far down the list, and I certainly would be prepared to listen to them if it is their wish to be heard now. If it is not, then certainly we would rise, but they have been waiting a long time and, obviously, I think it would be fair to hear them.

Mr. Chairman: I am going to call out their names if they wish to make the presentations this morning.

* * *

Mr. Chairman: Number 375, Nancy Webster Cole.

Good morning. Have you got a presentation for us this morning?

Ms. Nancy Webster Cole (President, Telecommunications Employees Association of Manitoba): Yes, I do.

Mr. Chairman: If you could give it to the clerk, and she will circulate it to the committee.

* (0430)

(Mrs. Louise Dacquay, Acting Chairman, in the Chair)

The Acting Chairman (Mrs. Dacquay): Ms. Cole, you may proceed.

Ms. Webster Cole: Thank you. My last name is Webster Cole, by the way.

My name is Nancy Webster Cole. I am the president of the Telecommunications Employees Association of Manitoba, or as we call ourselves TEAM. We represent 1,200 Manitoba Telephone System management employees who are also

active voters. I am here to say that TEAM stands opposed to the proposed Bill 70.

This government's proposed bill is a gross violation of the trust employees in the free world and Canada have in the collective bargaining process.

The right to collective bargaining is a hard-fought-for right that democratic peoples have gained with great personal risk and loss. My own grandfather risked his life and his limb to bring the right to collective bargaining and subsequently workers' safety to coal miners in the Appalachians. Today, thankfully, employees do not have to take great personal risks in order to have the right to collectively bargain. Free democratic governments in North America have recognized for many years now the right of employees to use the collective bargaining process to negotiate fair wages and protect and enhance employees' benefits.

The management employees at the Manitoba Telephone System elected to organize and became a certified collective bargaining unit a little over five years ago. A major influence in this decision was that the government of the day insisted that we should collectively bargain for wage increases and benefits.

Prior to our certification, our benefits and wages were being seriously eroded. Our salaries, our wage increases and our benefits were not in line with those that were given to the clerical and the plant who are unionized employees, and also to the upper management.

Collective bargaining, a hard-fought-for right, has benefited our members in several ways: It has protected our existing benefits from erosion. It has allowed us to work on the joint benefit committee with other unions to ensure management employees share the same benefits. It has ensured management employees are treated equitably and fairly in such items as promotions and lateral transfers where we seem to have the most grievances. It has also ensured that management employees have received at least a minimum annual wage increase, although we have not necessarily received full COLA. The only year we ever received a full COLA was last year, nor have our wages kept pace with inflation.

A recent consultant's study that was done through a consultant, who is usually hired by Manitoba Telephone System's Stevenson Kellogg, showed that Manitoba Telephone System's management

employees' salaries are an average of 15 percent lower than comparable jobs in the industry.

I know myself, I chair a Telecom Canada committee, and I have asked the members of my committee, who are counterparts do the same job that I do in other tel-cos, what their wages are. My wages are at least \$10,000 less than the next lowest paid member of my counterparts on that committee who are in the same position.

Only through the collective process, we believe, can we hope to achieve fair, equitable and comparable salaries for our members. Our members' faith and trust in the collective bargaining process was hard won, and that faith and trust in that process and in this government's ability to act in a fair and reasonable manner will be severely violated by the passage of Bill 70. The confidence of the people in the integrity of this government and its MLAs will be grossly undermined for now and in the future.

TEAM also protests the inherent unfairness and inequity of a bill that applies itself selectively and in a real nonsensical manner to only one portion of the working population. You have taken the easy route of striking only at wages and only in the public sector. A selective wage freeze is not the answer to economic problems or the government's deficit.

Your proposed freeze will only freeze disposable income. As mentioned earlier this evening, taxes, prices for consumer goods, basic necessities, and insurance rates, are continuing on an upward spiral. A wage freeze will only severely limit much needed consumer spending and send more people across the border for bargains.

The discrimination you have shown with this proposed legislation and the people it applies to is grossly unfair. Why should public sector employees alone bear the brunt of this government's Draconian measures? We are tired of constantly being the scapegoats for the government's problems and mismanagement which was not the fault of the employee body.

If there is to be a freeze, it should apply to all sectors, public and private. Is this government afraid to put controls on its friends in the private sector like it is trying to put controls on the public sector? This government should not be so confident that it can coerce the public sector employees into accepting this measure. Be warned, we are a large and powerful group, and we

will speak with our votes in the next election. Our influence on other voters, especially in the management union, is vast and strong. Be assured that we will be a major force in the choosing of who will be the governing party in the next election.

We are also a large body of consumers. We could be capable of boosting the Manitoba economy with consumer spending. Wage freezes will prevent that.

Government and Crown employees have historically been first on the list for wage freezes or lower than the cost-of-living wage increases. If we have to bite the bullet one more time, we will all die of lead poisoning.

This selective freeze not only discriminates between private and public sectors but between profitable and unprofitable sectors. Why punish those employees in sectors where the employer has done well financially and is fully able to compensate its employees for their contribution to a successful corporation.

As employees of the Manitoba Telephone System, we have seen, and we have helped realize MTS, which is a Crown corporation, a net profit over \$100 million over the past three years. A look at the last three year's annual reports will prove out those figures. MTS is self-sufficient and is not a negative contributing factor in this government's financial woes. MTS has done well financially, directly as a result of its employees' dedication to its corporate goals and to the well-being of the province of Manitoba.

We are not blind to the fact that Crown corporation wages do affect the public in rate increases and overall cost of services. Yet, remember, MTS has one of the lowest rates in North America for phone service and has been reducing long-distance charges while remaining profitable.

Wages paid to our members stay in Manitoba and help boost this sagging economy. In return for dedication to MTS and the hard work done by the employees to keep the MTS profitable, self-sufficient, and at the leading edge of telecommunications, which by the way, attracts business to Manitoba, we demand that our right to collective bargaining be retained and protected and not forcefully removed by government using desperate tactics to save face.

The introduction of this bill also shows the lack of understanding the government has on the severe

impact of wage freezes and the ban on collective on the future of Manitoba's work force. Manitoba's losses of its best and brightest young people will continue and increase. Our young and educated are Manitoba's future, and they will only increase their exodus to regions in North America where workers do have rights to bargain, do receive fair and equitable wages, and can trust the government to protect, not remove their rights.

(Mr. Chairman in the Chair)

TEAM recommends that this government not pass Bill 70, but instead set specific spending priorities. The government should ensure that workers' rights to the democratic, free and normal bargaining process between employees and employers are protected. Collective bargaining is an effective, reasonable and civilized process.

The protection and use of this process is the mark of a free society, governed by a government that believes in the democratic processes and the rights of all the people.

TEAM also wants to point out our concern for our counterparts in other collective bargaining units who have recently been successful in working through the collective bargaining process and have negotiated an agreement with their employer or have won a contract through the final offer selection process. This government, by using the retroactivity of this bill to declare such agreements null and void, is guilty of doing a grave injustice to these employees.

The government is pulling a hard-won, half-eaten loaf of bread out of the mouths of employees and their families. Here we have employees and employers who have bargained in good faith, reached agreement, and when just about to go back to regular business, find all the work done in the process will have to be repeated for no good cause. Where is the humanity and the common sense in this government's skewed thinking?

TEAM believes the government can find better solutions to the economic woes and deficits of this province. This government should and must apply those solutions fairly and equitably. TEAM believes this government must open its eyes and see how far it has strayed from democracy and freedom by attempting to impose Bill 70 on the workers of Manitoba. Thank you.

Mr. Chairman: Thank you, Ms. Webster Cole.

Mr. Ashton: I commend you as well for your presentation, particularly at this hour. I just wanted to ask one question. I think the brief is very straight forward and to the point, very forceful, and indicates obviously the frustration of the Telecommunications Employees Association of Manitoba about what has happened.

I am wondering, apart from the position of TEAM itself, if you could maybe express to people, and you mention your own circumstances, what the reaction is. We have discussed, of course, some of the reclassification taking place in terms of the CO's salary, et cetera. That has come up as an issue, but I am not even dealing with it in that context. I am sure that has been part of discussion, but what is the reaction of people now being told that their wages are frozen in MTS, which I believe has had a fairly profitable last couple of years? How do they react to getting told by the government that through a stroke of a pen, through passage of a bill in the Legislature, all their collective bargaining efforts mean nothing, and they are going to get zero.

* (0440)

Ms. Webster Cole: I can only speak for the management employees that I represent, not the plant or the clerical employees, although I understand a plant representative was here tonight in IBEW. There is a great deal of frustration in the employee body in the management, and especially in the area where I work which is called Business Communications.

As you know, terminal interconnect was approved for February 1, and private line interconnect is coming on board. Come September 1, we will start the process of becoming federally regulated by the CRTC. For the first time in our history we have had to deal with competition. The management employees have been gearing up for this for at least a year, if not two or three.

I know for the past three years, that is all we have been doing is getting prepared. There is a great deal of frustration in looking at the annual report and seeing the profits that we have been realizing, and in working so terribly, terribly hard to ensure that MTS retains the market share in both the long distance and the terminal market, and to see that no matter how hard we work or what we do or how much profit we bring to the company, we get no rewards for it.

What is also extremely frustrating is that not only can we not bargain for wage increases or nonmonetary issues, it is that MTS instituted a bonus program for the upper level of managers who of course are out of scope of the collective bargaining unit. Their bonuses, particularly in my area—my manager's bonus is based on the profitability and reduction of cost in my unit, which is something I directly affect, and I have done, yet I get no benefit from that. I get no wage increase, I get no bonus, I get nothing. So there is a great deal of frustration.

Earlier in the evening there was talk about the nonmonetary issues, and that is a great problem. Most of the things that we deal with as a union have to do with grievances that have to do with lateral transfers or promotions. We have put a couple of grievances in abeyance until contract negotiations which were to start this month because there were things that we felt could be resolved better by fundamentally changing certain articles in the contract. Now those will have to wait and what will happen, which is frustrating to both the system and us, we are going to be dealing with grievances when we could have put a clause in the contract that would have resolved that issue.

Mr. Chairman: Thank you, Ms. Webster Cole.

Ms. Webster Cole: You are welcome.

Mr. Lamoureux: Yes, Mr. Chairperson, the presenter brought up one interesting point, something that was brought up, actually I believe it was from the member for Crescentwood (Mr. Carr), and that was regarding the bonuses that were signed out. I wonder if she might just be able to elaborate a bit more on it.

We had received a phone call and actually had asked a question, I think it was yesterday, possibly the day before in Question Period, and the question was basically taken as notice. I am interested in terms of if she can cite the specific example of it.

Ms. Webster Cole: My understanding of the bonuses at the management level, not the vice-president level, was at what we used to call Tier 1, which is the—now they call them directors, which are the managers who report directly to the vice-presidents, and I have dug and dug to try and find some information but they are not sharing it.

The most I can tell you is that my particular manager advised me, and actually a group of us because I directly asked him at a staff meeting about

the bonus, that it was a combination of how he was to get his salary increase as well as a bonus and all tied into his overall salary but would not elaborate. However, he did indicate that in my particular area, which is business communications, the amount of the bonus would be based on retaining market share, I believe retaining net revenues and also in reducing costs, but trying to get the information for somebody at my level is impossible so I cannot further elaborate on that.

I will tell you we do have bonus plans in place for the sales people which is another level. Those people are in-scope. We have commission sales people and we have salary sales people with bonuses, and that is not unusual in the sales environment, especially in a competitive environment.

Mr. Lamoureux: Lastly—I do not want to keep you much later. It is getting very early in the morning, and I actually thought I heard a bird chirp. That is in terms of—we had one earlier speaker this evening or last night from MTS, and I failed to ask him this particular question so I will ask you.

During the MTX scandal, the morale dropped significantly with MTS. If you were, I guess, just giving me your thoughts in terms of what do you believe this has done for the morale at MTS with the employees, compared to the MTX scandal, do you feel that this is something that has done more harm to the morale?

Ms. Webster Cole: I would not say it has done more harm, and I would not say it has done less harm. It has done a different kind of harm.

I was quite a young employee at MTS when MTX happened and not in management at that time, and that was all kind of over my head, but I do know from speaking to employees who are in the marketing department, which was the most affected at that time, which is where I work now, that the low morale was due to a feeling of a loss of integrity.

Manitoba Telephone System employees pride themselves on integrity, the work ethic, the quality of service that they try and offer our customers, and so the MTX affair affected people in that way in that the perception that they had of themselves was grievously ruined. We had to go back out in the public and try to build ourselves back up again to where we thought we were perceived before as ethical employees with integrity, doing our best for Manitoba.

Bill 70 and the past few years of low wage increases have affected morale in an entirely different way. What they have done is that they have said to the employees, we have worked really hard to recover from the MTX scandal. We are working really hard to remain at the forefront of telecommunications because that is what is going to draw businesses to Manitoba. You cannot be behind in telecommunications or they do not come here. They will go to Toronto.

For all of our efforts and all of our work and all of our dedication to the system, we are not getting any rewards for it. We are not getting it in wages, and we are not even getting it in praise from our management. I cannot say it is more of an effect on reducing morale, it is just different.

Mr. Chairman: Thank you, Ms. Webster Cole.

Ms. Webster Cole: Thank you very much.

Mr. Chairman: We will now move on to No. 612, Elaine Zadorozny.

Ms. Elaine Zadorozny (Private Citizen): Thank you for hearing me. My name is Elaine Zadorozny and I work in a health care facility, and we are definitely affected by your Bill 70, which sucks.

I make \$21,000 a year which is not a lot of money. I work for a small corporation which I am sure that you are familiar with, Trizec Corporation. Their profit last year was \$111 million.

That is a major profit, and our nursing homes are a large portion of their profits. Having this freeze on wages is just appalling. My rent still goes up. My rent goes up 4 percent every year. Why is there not a freeze on that? My wages are not going to go up 4 percent. I have to buy food. I make \$21,000 a year, but I do not bring home \$21,000, and I do not think you guys could live on what I make, and you could not do my job.

Mr. Manness, you were saying at midnight—

Mr. Chairman: Order, please. I would like to let the presenter know that everything comes through the Chair. We do not direct anything directly to any member of the committee—as long as we direct everything through me.

Ms. Zadorozny: Okay, that is fine. At midnight, you said you had to put a freeze on wages because you did not want to put the taxes up, yet you raised our unemployment premiums.

Mr. Manness: It is not my responsibility.

Ms. Zadorozny: It is the government's responsibility.

Mr. Manness: I have no say in unemployment insurance premiums.

Ms. Zadorozny: I am just saying, they are increasing our wages, but yet stuff keeps going up. Where does it end?

I cannot bargain this year on anything for the people that I represent because of this freeze. We are not just talking wages. We are talking dental plan, everything. When we do negotiate, and if that happens in 1992, the dental plan that we have will be three years behind, and is that going to make it any easier to negotiate in '92 than it would now? It is going to make it harder.

You cannot really let this bill go through. It is ridiculous. There are other people out there who work very hard for their money, and I do not think you appreciate that.

* (0450)

Mr. Chairman: Is that it, Ms. Zadorozny?

Ms. Zadorozny: Pardon me?

Mr. Chairman: Were you finished?

Ms. Zadorozny: Yes, I think I am done. I am tired.

Mr. Chairman: There are a couple of questions, if you do not mind.

Mr. Ashton: First of all, I really give you credit for staying this late.

Ms. Zadorozny: I have worked a whole shift already. I am tired.

Mr. Ashton: I can believe it and to have to come in here, earning \$21,000 a year, working as you say for Trizec, and have to even—I just cannot fathom in my mind how after you have worked your shift, you come in, you are dealing with this kind of situation, how in your own mind you can handle a government that is going to freeze your wages.

I want to ask you, and I asked the previous presenter, who are your coworkers? Are they similarly paid, similarly employed?

Ms. Zadorozny: I am the highest paid and I have been with Trizec Corporation for 15.5 years.

Mr. Ashton: The other people in your workplace are getting paid less than that?

Ms. Zadorozny: That is right.

Mr. Ashton: And they are also affected by this wage freeze.

Ms. Zadorozny: That is right.

Mr. Ashton: Do you see, in any way, shape or form, how you, working for Trizec Corporation, earning \$21,000 a year, and others who are earning less working for Trizec Corporation, have anything to do with whatever the Minister of Finance (Mr. Manness) had in mind with this bill, whatever financial problems the province has? Do you feel it is fair for this government to turn around and say that you should be having your wages frozen because of those difficulties?

Ms. Zadorozny: No, they should not freeze these wages. You know, these people I work with who make less than me, this is without a word of exaggeration, have four jobs. Some of them have four jobs, just to make ends meet.

Mr. Ashton: I can believe that.

Ms. Zadorozny: Out of \$21,000, I have rent, I have Autopac, I have food, just like all you people, but you are making a lot more money than I am. You can survive. You cannot know how hard it is to survive on \$21,000. Well, it is not even \$21,000, because that is not what I am bringing home.

Mr. Ashton: I think that is a very important point, because the Minister of Finance says cabinet ministers have frozen their salaries. They get paid, by the way, \$62,000, \$63,000. MLAs—I get paid \$43,000. You are getting paid \$21,000, and you are expected to get a zero increase.

Ms. Zadorozny: I am doing a job that is much more stressful than yours, and I can prove that. I work with psychogeriatrics. Well, maybe I am not.

Mr. Ashton: Mr. Chairperson, indeed, I would hope that one thing members of this committee might do, and some of the members of the Legislature, who, when the vote on this bill is going to be coming up, if they vote yes to Bill 70, it will be voting to freeze your wages and your fellow coworkers' wages—

Ms. Zadorozny: I would not touch Bill 70 with this.

Mr. Ashton: I can say, by the way, as somebody who will definitely not be supporting this bill, I would appreciate the opportunity to come and see your working conditions firsthand, and I would invite, perhaps, if that would be possible, I would like to go down with the Minister of Finance (Mr. Manness), other members of the committee and see exactly what it is like.

I think it is incumbent upon people to see what people are going through, where they are working and what they are working for before they go and freeze your wages. If that would be possible, I can indicate I would be there, and I am wondering if you could perhaps see if that invitation could not be extended to the other members of the committee, before they—

Ms. Zadorozny: It could, if you really wanted to. I mean it, you could not do my job. You would not have the stomach for it, just like I do not have the stomach for your Bill 70. Thank you very much.

Mr. Ashton: That says it all, Mr. Chairperson.

Mr. Lamoureux: It is more so just a closing remark, just to pick up on the lead that the member for Thompson (Mr. Ashton) has put forward. If, in fact, you were wanting representation from myself or the Liberal Party, we would be more than happy to take you up on it and visit with you, even though we share the exact same concerns that you have on this particular piece of legislation.

Ms. Zadorozny: Really?

Mr. Lamoureux: Definitely. Unfortunately, the combined opposition now does not exceed what the government has. Many argue that had it been a minority government, we never would have seen this bill, and it is somewhat unfortunate in that sense.

Ms. Zadorozny: I will share a little humour with you. Last night I sat here till 1:30 in the morning after a shift. I was so furious by listening to all of this, I went home, I went to sleep. This is the God's truth, I actually dreamt that Brian Mulroney had sold us down the toilet. He had to get a part-time job, and he was driving a cab. Honest to God, this is how much this thing upsets me. Thank you for listening.

Committee Substitution

Mr. Hickes: May I have leave to make a committee change?

Mr. Chairman: Is there leave of the committee? Leave. Agreed.

Mr. Hickes: I move, seconded by the member for Interlake (Mr. Cliff Evans), that the composition of the Standing Committee on Industrial Relations be amended as follows: the member for Brandon East (Mr. Leonard Evans) for the member for Thompson (Mr. Ashton). Thank you.

Mr. Chairman: Agreed? Agreed. It is with the understanding that this will be moved in the House today sometime.

Committee rise—at five to five. See you at ten.

COMMITTEE ROSE AT: 4:57 a.m.

WRITTEN SUBMISSIONS PRESENTED BUT NOT READ

Employee of Manitoba Telephone System.

In the 15 years I have worked at MTS, I have yet to get a raise that was the equivalent of the cost of living for that contract year. Consequently, I cannot catch up to the cost of living. I just keep falling further behind.

In the 1970s, Liberal Prime Minister Trudeau campaigned on a promise not to invoke wage controls—political double talk.

In the 1980s, New Democrat Premier Pawley enforced a 3 percent ceiling on wage/benefit packages for public sector employees.

In 1990, Progressive Conservative Premier Filmon spoke twice of his belief in the right of unions to free collective bargaining—political double talk.

Progressive Conservative Finance Minister Manness uses the excuse of a tax increase to cover wage raises—no taxes pay MTS employee wages.

In the 1980s, the politically appointed head of MTS through MTX lost \$29 million. Because of this my raises were held down so the loss could be recovered. In the last three years MTS has cleared more than \$85 million, and now the Progressive Conservative government is trying to legislate away my right to bargain for a portion, which I helped earn, of this profit.

From where I stand it appears every time the workers are going to get ahead by playing the game by the rules set up by the politicians, the politicians change the rules.

I ask the committee to recommend that the government withdraw this legislation as it is discriminatory and unjust.

Al Pitt