

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON INDUSTRIAL RELATIONS**  
**Saturday, March 3, 1990**

**TIME — 2 p.m.**

**LOCATION — Winnipeg, Manitoba**

**CHAIRMAN — Mr. Edward Helwer (Gimli)**

**ATTENDANCE - 11 — QUORUM - 6**

*Members of the Committee present:*

Hon. Messrs. Ducharme, Enns, Hon. Mrs. Hammond

Messrs. Cowan, Edwards, Gaudry, Harper, Helwer, Maloway, Praznik, Rose

**WITNESSES:**

Ms. Rose Buss, Private Citizen

Ms. Mary Johnson, Private Citizen

**APPEARING:**

Mr. Laurie Evans (Fort Garry)

**MATTERS UNDER DISCUSSION:**

Bill No. 31—The Labour Relations Amendment Act

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\* (1405)

**Mr. Chairman:** Order, please. I call the Standing Committee on Industrial Relations to order.

**COMMITTEE CHANGES**

**Mr. Chairman:** We have some substitutions. Mrs. Hammond.

**Hon. Gerrie Hammond (Minister of Family Services):** I would like to substitute Ducharme for Downey, with leave of the committee.

**Mr. Chairman:** Is there leave for Ducharme for Downey? Is the substitution agreed to? Agreed? Agreed and so ordered. Mr. Edwards.

**Mr. Paul Edwards (St. James):** Mr. Chairperson, I would like to move a substitution: Gaudry for Patterson.

**Mr. Chairman:** Is there leave to accept Gaudry for Patterson? Is the substitution agreed to? Agreed? Agreed and so ordered.

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**Mr. Chairman:** Now I call the Standing Committee on Industrial Relations to order. This afternoon the committee will resume hearing public presentations on

Bill No. 31, The Labour Relations Amendment Act. If there are any members of the public who wish to check to see if they are registered to speak to the committee, the list of presenters is posted outside the committee room. If members of the public would like to be added to the list to give a presentation to the committee, they can contact the Clerk of the Committees, and she will see they are added to the list.

If we have any out-of-town presenters or any presenters who are unable to return for subsequent meetings, please identify yourselves to the Clerk, and she will see that they are brought forward to the committee as soon as possible.

\* (1410)

Just prior to resuming public presentations, did the committee wish to indicate to members of the public how long the committee will be sitting this afternoon? Four o'clock? Is it the will of the committee that we sit until four o'clock today? Agreed. Four o'clock then.

We have five presenters here who are not on the list. These are walk-in presenters. I will read them. There are four. Everyone has a list, I believe; I will not have to read them then. Is that okay? We will start with No. 1, Ms. Rose Buss—just a minute. We have checked the list and there is not anyone here today who is on the master list that you have. These are walk-in presenters. So I will call Ms. Rose Buss. Did I pronounce that right? Okay, please continue.

**Ms. Rose Buss (Private Citizen):** My name is Rose Buss. I am from Beausejour, Manitoba. I would like to thank this committee for meeting on a Saturday. We as rural people have some difficulty. I am a housewife and a homemaker, and I would not be able to make this presentation during the week because of the young age of my children.

I am still married to a Fisons Peat Moss worker who was on strike three months back in 1988. I say still married, because some of my husband's fellow co-workers were not as fortunate after that strike ensued.

\* (1415)

In January of 1988, Fisons announced the company was doing excellent and had realized a \$12.8 million profit for 1987. Our family felt secure and prospects for our future were bright. In May of 1988, contract time, the story had changed, and Fisons was demanding rollbacks in wages and benefits. I was shocked and amazed. How could such a great financial picture change to unreasonable demands in five short months? How would our family, with only one income, live if wages and benefits were cut? The company's demands were unacceptable and to me unbelievable.

My husband and his co-workers went on strike. The following three months were financially and emotionally

stressed. I ended up in hospital several times. Bills piled up and we borrowed from friends and relatives to survive. We were fortunate enough to be able to remortgage our home in the second month of the strike. My daughter's seventh birthday was spent without a cake and presents from mom and dad for such luxuries were not affordable by this time.

The picket line became more and more dangerous as both sides became more violent and bitter. The hiring of scab workers really incited a lot of violence. In the fourth month of the strike there was finally some hope. Although the company was still talking wage cuts, the workers had applied for final offer selection. Within a week my husband was back at work and Fisons corporation was being more reasonable. Final offer selection ended a bitter strike by making the company and the workers come back to a settlement even before the selector had to.

My husband's contract comes up in 1991. If this legislation is repealed, we will live with uncertainty and with no options if negotiations fail at that time. I fear we will once again be on strike. It is my feeling that if this legislation does fail we will be back where we were in 1988. I do not feel emotionally I could handle the effects of another strike, and I plead with you not to repeal this legislation on behalf of myself, my family and all the other families and workers in our area. Thank you.

**Mr. Chairman:** Thank you, Ms. Buss. Are there any questions for Ms. Buss?

**Mr. Edwards:** Thank you for coming forward, madam. We have heard a lot of individuals come forward in these hearings and we greatly appreciate it.

With respect, I just have a quick question here. Your husband's contract comes up in 1991, you said. Can you tell us when it last was negotiated?

**Ms. Buss:** It was negotiated in 1988.

**Mr. Edwards:** So when it was negotiated last time this final offer selection legislation was in place. Did they use final offer selection in that negotiation?

**Ms. Buss:** No, they did not. They—

**Mr. Chairman:** If you just would wait a minute until I recognize you so that they can get the mikes turned on. Ms. Buss.

**Ms. Buss:** Yes, they appealed for final offer selection and a selector came forth, but the two sides came together and negotiated before the selector took either side.

**Mr. Edwards:** Do you know if the company in that case opposed the use of final offer selection? As you may know, there is nothing in the law which says where the parties agree, they cannot have final offer selection. It is just this legislation in effect allows it to happen when the workers want it, regardless of what management says. Do you know if in that case, in your husband's case, it was used if the parties agreed or were they—

**Ms. Buss:** No, I do not.

**Mr. Edwards:** Thank you very much again for coming forward.

\* (1420)

**Mr. Jay Cowan (Churchill):** Thank you, Ms. Buss, and thank you for coming here on a Saturday and speaking to this issue, which is obviously very important not only to yourself, but to your family. We appreciate the advice as well as the historical circumstances which you have explained to us.

I would like to ask you a series of questions based on some criticisms that we have heard about final offer selection in the past. These criticisms—I will not attribute them to one individual party or another—have generally been criticisms that have been expressed in the debate in the Legislature on final offer selection as reasons for repealing the law. Of course, a repeal of the law would mean that it would not be available in the next set of negotiations which you referenced.

I would like your personal assessment from the basis of what you have experienced as an individual. I think that is extremely important to us, because a lot of these concerns are theoretical in their nature and are taken from a review of final offer selection, which perhaps is not as firmly based on personal experience as your own. Your own circumstances can help us all better understand what it means to individual Manitobans.

In the last instance, you indicated there was not an actual selection by the selectors but there was an application that was made. Some people have said that they believe just the mere fact that final offer selection is available and that unions then do not have to go on strike to win their gains, in some instances, will weaken unions generally.

I would ask you your opinion, grass-roots perspective, from watching what has happened after a bitter strike and what has happened after a final offer selection process had at least some impact on the negotiations, if you feel that the union was weakened by the use of final offer selection to the extent that it used it.

**Ms. Buss:** No, I do not believe it was weakened in any way. I believe it was the feeling of the workers that the company was making unreasonable demands at that time. They were willing to make some concessions to help the company along with what they were saying was a difficult financial time for them.

The company began at the bargaining table telling my husband that they were looking at something in the line of 50 percent rollbacks. That is where they were starting. So of course the fear of the workers was that if they could somehow get back to a middle ground they would be doing well. Once the strike ensued and as things followed—we are dealing with a foreign company here, so there was not a lot of rationale coming from that company as to why they were making these demands or what they were about.

The workers there did not know a lot about the final offer selection. Then when the three months came about

and they realized that this could go on to be anywhere from six to 12 months they saw the final offer selection legislation as being their only means of getting back to work.

As you speak to the workers now, as we talk amongst ourselves, it is the general consensus of those workers and their families that without final offer selection we have no other recourse if this company stays on the path which they seem to be following.

**Mr. Cowan:** We hear a lot in the debate about reasonableness and fairness. The way the issue is usually put is that final offer selection may be okay if it is voluntary or if it is applied equally to both parties. The implied criticism is that because the workers have a democratic right to choose not to use final offer selection, even if it is recommended by the company, they have more power with respect to final offer selection than do the employers. For that reason this is an unbalanced or unfair piece of legislation.

Do you think your husband's union was in a position of having more power because of final offer selection? Do you think—and I do not want to put words in your mouth, I do not know any other way to say it—that they were in a very weak position during the first strike and had the strike in order to try to fight their way out of that position, but it was not fighting from a position of power to start off?

\* (1425)

**Ms. Buss:** Yes, I do believe they did start off with a weakening position, and if not for this legislation I do not think any of the workers quite know where they would have been at the final outcome of this.

It is the feeling of many of the workers that eventually—it was a very, very bitter strike. I do not know if many of you had read the press and the media events on this strike, but scabs were being brought in and there was much going on that was making it more and more bitter as time went on. Without this legislation, I really cannot even comprehend where that strike would have gone or what would have happened.

**Mr. Cowan:** Ms. Buss, do you think—I am asking for a value judgment based on your own personal experience which is very valuable to us—it is a fair system out there? Do you think that workers, when they are up against a foreign-owned company where the management of that company have really all sorts of other issues with which to deal and do not care much about one particular issue and can make decisions which would profoundly affect a community and the workers and families who live in that community and yet walk away from it because they are not touched by that at all, do you think that is a very fair situation for workers and their families to live in?

**Ms. Buss:** I can give you a bit of a story that had gone on in '86 at the time of their negotiations. The company at that time was also asking for rollbacks and benefit decreases. Negotiations were going on. They had gone out on strike at that time. It lasted three weeks. We

got a call saying that the strike would be ended, that the bargaining process was going to be ongoing again because England was having a grand opening of one of their plant branches that my husband works at and the lords and ladies were coming out and they saw this as an embarrassment to their company to have strikers on a picket line at the time where they were wishing to come in and have their grand opening of this plant. In a matter of a day or two that they were informed, they were not even aware of this strike as far as I understand, the company itself, because this is a subsidiary company of theirs. So when the lords and ladies were about to come out for this grand opening, the strike was very quickly over and negotiations were back on track.

In '88, we were not fortunate enough to have the lords and ladies of England coming out for another grand opening. We were not building another plant so the negotiations had failed and they were going to take a real crack at it. The company workers feel that because the company is so large, foreign-owned, that it is a small subsidiary of the multi-national company that they do not have a lot of power as far as workers. The company itself is as much unaware of what even goes on in its small plant in that community. I believe that if our workers did not have this legislation in place they would have little or no power now unless we can perhaps build another plant for the lords and ladies to come out and to see.

**Mr. Cowan:** Would it be fair to say from your perspective that lords and ladies making a one- or two-day trip into the community have more power if we do not have final offer selection in place than the workers who work there every day?

**Ms. Buss:** Definitely.

**Mr. Cowan:** That is an important commentary on our system as it presently works. You see final offer selection as a way of leveling off that playing field a bit. Would that be the case?

**Ms. Buss:** Yes, I do.

**Mr. Cowan:** Let me ask you a rather personal question. You have given me some general figures if you wish, but I think it is important to debate, how much does your husband make at his work?

**Ms. Buss:** \$35,000.00.

**Mr. Cowan:** And you have a family of?

**Ms. Buss:** Four.

**Mr. Cowan:** That is, given today's economic circumstances, I would guess, barely enough to make a go of it, to be able to provide the necessities and some of the niceties, but not a lot of the niceties for any family. I do not ask you to comment on that, that is an assessment on my part. What was the percentage increase, if you recall, that they received in the last three set of negotiations?

\* (1430)

**Ms. Buss:** I believe the last contract negotiations in '86, they would have received about 4 percent wage increase. In 1988, when the contract was finally decided upon and negotiated, the labourers, who are the average income earners at that plant, took a two-year wage freeze. My husband, who is a baler, which is a piecemeal worker, took—I do not know what the percentage is, but I know it counts for about a \$600 cutback in his wage. There are roughly about 15 balers in the two plants.

It was their understanding that if they could at least negotiate a wage freeze for the lesser income earner, the labourers, that they would take the rollback in wages. So they did that. It was to their initial understanding that perhaps if they took the rollback in their wages because they were a better wage earner, that perhaps the labourer would get a slight increase, but the company said, fine, we will take your rollback on the baler's wage and they froze the labourer's wage for two years.

**Mr. Cowan:** How long was the strike in total?

**Ms. Buss:** Roughly about three and a half months.

**Mr. Cowan:** What is strike pay like with that union?

**Ms. Buss:** We received \$140 a week.

**Mr. Cowan:** Obviously, I would have found it difficult. I am certain you found it difficult. I am certain anyone would find it difficult to live on \$140 a week, especially when you are used to making \$30,000 to \$35,000 a year. You obviously would have had to cut back in a lot of the things that you wanted to buy during that period of time. I would imagine, I know it would happen to me, that if I had to live for three and a half months or 14 or 15 weeks on \$140 a week, it would take me a very long time to regain my economic ground. I would use up whatever little savings I had and then would start to borrow. Was that the case with your own family?

**Ms. Buss:** Yes, that was very much the case, being a one-income earner. I am not able to work a full-time basis because of health reasons. We have always sort of gotten by on what my husband makes. We have never been able to, what you might say, save on that income. At the time of the strike, and also due to the announcements we received in January of 1988 that we were on sound ground, that the company was doing well, that the workers' productivity was high, we were not in the position of thinking that we would be in a strike position come June. So financially, savings wise, we were not in that position, we never are, that we could have money available to take up to three-and-a-half-months leave of wages. Living on \$140 a week was a nightmare. I have often heard many people say to us, why did you not apply for assistance or so forth? We had never had any type of assistance and were not going to look toward that, so we took the option of remortgaging our house to back-pay some of these bills as they were coming forward.

If you are not in the position to have savings and to be prepared for a strike, you will never know what a reduction in that kind of income will do for you. It is devastating.

**Mr. Cowan:** Have you yet been able to work your way out of that strike, and have you regained what was lost during that strike financially?

**Ms. Buss:** Considering the rollback that my husband's specific job took, I do not think that we will recover for some time. There is a possibility of negotiation, in June, of getting some slight increase, but then again it might only be for the labourers and not again for my husband's form of job. I would say I am at the point right now where I feel I am so interested in final offer selection and what is happening, because I feel, regardless of my health position, I am going to have to go out to work in order to continue and to be prepared if this is ever going to happen again.

**Mr. Cowan:** I do not want to pre-empt the negotiations that are coming up by giving away anything in advance, but I think it is fairly obvious that it would be very, very difficult for the workers to take another strike at this time, having not caught up from the last strike.

If push came to shove, do you think that your family and the others would take on that strike if they did not have final offer selection and if they were being put in the same circumstance as they were during the last strike, in spite of all that economic hardship?

**Ms. Buss:** It is the belief of my husband, at his type of job and what he is being paid—it is very labour oriented, it is very hard work, and it has a lot of health repercussions to it—and he feels, and many of the workers in his position feel, that if push comes to shove once again they will go on strike. They will do it all over again, because they feel that unless there are adequate benefits and a wage increase in the next strike having that job will not be worth the work.

Given another strike vote, yes, I think they would have to do that if not given an increase of some sort in the next contract negotiations.

**Mr. Cowan:** It is a tough decision at the best of times. You said the last time around, in your introductory remarks, or implied, that marriages broke up over this, when you indicated that some are still married and some are not. That was primarily because of the financial and the emotional stress.

Would it be more difficult this time? Would there be more marriages—would the marriages, in your own opinion, not referencing your own family but referencing your friends, go a bit quicker because you are just that much more stressed starting out knowing what you went through the last time around? If final offer selection is not there, if the company decides that they want to push you to the wall, and if no lords and ladies are making a trip into the community and you have to go on strike, is that going to cost families?

**Ms. Buss:** I believe that it will cost more than families. We have lost friendships. Because of the media on this

strike we had other family members, who would see what was being stated or said, or what this strike was about, arguing amongst brothers and sisters, mothers arguing with their sons and fathers, husbands and wives pushed to the brink of not knowing where they were going.

There are a lot of relationships right now that are very shaky, because they live with the uncertainty of not knowing whether their husbands are going to have another job. Many of the women have taken second jobs in the event that this is going to happen again.

Living in a small community and all that has gone on with it, I believe there is going to be a division like we have never seen, come another strike back at that plant. I do not think the anger has gone with the workers, the bitterness; there are still a lot of problems.

My husband comes home with stories as far as what the company is doing. They change their mind daily as to the operation and the management and layoffs and so forth. I do not know what to imagine is going to happen if final offer selection is repealed, if that is not an option for us and we are in another strike position.

**Mr. Cowan:** But you would take the strike anyway if you had to?

**Ms. Buss:** We would take the strike.

**Mr. Cowan:** One of the criticisms of final offer selection has been that because one party's proposal is accepted and another party's proposal is not accepted—and that happens in very few cases—it has to go all the way to the selector. In your instance, it did not; it brought the parties together and they negotiated. That is what it is there for. When it does go to the selector, in the five instances that it has, it creates bitterness because, it has been said, one party's proposal is accepted and the other is not, so the other party is bitter.

Do you think that under the worst circumstances you could imagine that situation would create 1/10, 1/100, 1 percent of the bitterness that has been created by one strike, which is still lingering on years afterwards?

\* (1440)

**Ms. Buss:** No, I do not. I do not think anything is ever going to, other than another strike, bring the bitterness that has come about in this strike. I believe, had we gone the full way and a selector had decided the company's position, which before the selector was chosen and the negotiations were given, I feel that most leaned toward the company's position. Had they had some form, some option, some way of negotiating fairly, they would have taken those conditions had a selector chosen them.

**Mr. Cowan:** Some people say that final offer selection results in less peaceful labour relations climate in the workplace, and in the province generally. How would you respond to that?

**Ms. Buss:** I do not believe that applying for final offer selection had anything to do with the bitter relations

that went on in this strike. I believe that originally when the strike ensued, the climate was fairly peaceful. It was when the company started tactics such as bringing in scabs, there was a lot of police involvement, there were a lot of threats being made by the company, workers would be fired once they got back, a lot of media attention to different events and so forth.

I do not believe that final offer selection had anything to do with where the feeling is now between the workers and the company. I believe that was something that came about because of the length of the strike and, had that strike gone on any longer, I am not sure if there ever would have been a position where the workers and the management could have come back and worked in a common workplace. I believe, had that legislation not stopped what was going on, I do not know if the workers and the company, the management, would have even be able to work after much longer of a time.

**Mr. Cowan:** That could happen again.

**Ms. Buss:** Yes.

**Mr. Cowan:** This is a difficult one to articulate because I have such difficulty in understanding the logic behind it, but I think it is important to ask you the question directly. I said earlier I was not going to attribute these remarks to one Party or another, but I am going to attribute this one. It was the Liberal Party that said their concern about final offer selection is that a union or management would purposely strike or lock out their employees and extend that length of time so that they could get into a final offer selection window. In other words, they are saying that they would go out on strike for weeks on end and months on end in order to get into a final offer selection window.

You have lived through a strike. Is there anything that you know of that would make you think that way or could possibly even force you out on strike if there was another way to avoid a strike?

**Ms. Buss:** There is absolutely nothing that I can think of, that I would want more than another strike in our lifetime. It is the general feeling among other wives of the workers, I felt, that they never want to see another strike in their lifetime, if that can be avoided, if anything can prevent that. So to those words or those suggestions I would say anybody who has lived through a strike and sees how devastating it is to your family, to your friendships—I mean, your financial affairs are probably the least of it—but if you ever go through that I cannot see how anyone could say that would be the case, that somebody would want to extend a period of a strike to gain some type of leverage, because I do not see how anybody won anything in that strike.

**Mr. Cowan:** Thank you for your comments. I am going to ask you a couple more quick questions, but I am going to ask you if I understand what it is that you have told us throughout your own presentation of these questions.

I have heard you say that you think that if the company wants to take on the workers they have an advantage.

The workers are powerless unless the lords and ladies are going to be visiting a grand opening. In spite of that, I have heard you say that the workers are prepared to take on a strike because some things are that important, and sometimes you have to suffer through all the horrors of a strike in order to defend your rights, and that will happen with final offer selection or without final offer selection. Final offer selection does not and should not mean the end of strikes. It just means that there is a better way to avoid them if they are at all avoidable.

I have heard you say that the financial aspect of a strike is probably the least concern, although you have yet to regain your financial ground years after a strike, and if there were another strike, you would be in even a worse position following it if it lasted any length of time. In spite of that, you are prepared to take that strike if that is the only option available to you.

If that is the option available to you, you believe that in your community and in your job situation it is possible that families will break up, and when I say families I do not just mean marriages, I mean brothers and sisters and aunts and uncles and cousins and nephews and fathers and sons and daughters and mothers. Friends will split apart and may never ever regain the friendship that they had. Your community will be divided in a way that no other event can divide a community.

In spite of all that, if you have to, if your back is against the wall, you will pick up a picket sign or your husband will pick up a picket sign and go through that battle. Is that a fair assessment?

**Ms. Buss:** Yes, it is.

**Mr. Cowan:** That is why you—and I imagine you are speaking on behalf of other friends and families—want final offer selection not to be repealed, want it to be an option available to workers and to their families.

**Ms. Buss:** Yes, in speaking to other workers and families about these hearings, when we got what little wind we did through newspaper, the media. We live in rural Manitoba so unless it is coming across the media or so forth—many of the workers work late, so we did not hear a lot about these hearings until just recently.

In my husband speaking to the workers about these hearings and my feelings about that, it was important for the workers and their families to come here and to speak to you from experience. Unfortunately, since their negotiations have come forward, they have now been demanded to work a seven-day work week if the company sees fit. So my husband was unable to come here with me as were many of the other workers, because they are all working today and working tomorrow. So I felt just compelled to come here to speak on behalf of this, to hope and pray that legislation will at least be in place selfishly if not in 1991 for my peace of mind and the peace of mind of those workers and spouses from Fisons.

**Mr. Cowan:** You have helped all the committee by coming and I want to thank you for that. You certainly helped me.

I studied final offer selection, went right back to when it was used in the coalfields 80-90 years ago. I have read the books on it, read the theories on it and tried to figure it out. I did it before we introduced the legislation. I did it after we introduced the legislation and did it to help defend the legislation. I feel I have a pretty good theoretical grasp of final offer selection. I have also studied what has happened in Manitoba since it has been brought in, including your own circumstances. I feel emotionally attached to final offer selection because of all that.

\* (1450)

The way in which you helped me a bit today—and I hope other committee Members were listening as well—is that emotional bonding with final offer selection has been increased because of your own experiences and how it can help you and your family and your friends and thousands of other Manitobans like you avoid that sort of experience in the future.

It has given me a bit of enthusiasm and my caucus, the New Democratic Party Caucus, a bit of enthusiasm to carry on the battle a bit longer. I hope it has helped others to take a look at this from a somewhat different perspective and to change their minds.

I do not see much hope of one Party changing their minds, because I think, quite frankly, they have been historically and are now aligned with big business. Final offer selection does not meet the needs of big business. I do, however, think that the other Party can change their mind. I believe that they may be thinking about that, and certainly they will if they have heard your story today and believed your story and believed in what you believe in as an ordinary Manitoban.

I would ask you to use one of these questions to speak directly to the Liberal Party, who I think want to hear something to help them change their mind on this issue, because they have staked out a position in Opposition to final offer selection. I think that position is changing, and I think it is changing because of stories like your own.

You have answered my questions. My last question is to ask you not to speak to me but to speak directly to the Liberals and use this opportunity to tell them why it is they should change their mind on this important issue. Why it is changing their mind on something where you have taken out a wrong position in the first instance is not necessarily a bad thing to do and in fact may help Manitobans. If you could say something, just one short sentence or paragraph directly to them, what would you ask them to carry back into their caucus room to help them make that tough decision on how to support final offer selection?

**Ms. Buss:** I would say to the Liberal Party of Manitoba that many of the workers in my husband's plant voted and supported you in the last election. The workers in this plant are very busy working. They are not terribly politically astute, but they did, in the last election, feel that the Liberal Party was a viable alternative, that there was a surge, and if the Liberals possibly could come forward and support them in the workplace and as common workers.

They did not feel that the Conservatives—they did speak to our MLA, Darren Praznik, about the strike and asked for his support and received no response from him. They did not feel that he was being terribly communicative or helpful in this matter with the strike. He did not take an issue on it.

They did vote Liberally, quite a few of them, many of them. When I first brought—you know my husband and I were speaking and he brought this—I said, there are hearings on final offer selection going on, and they are talking about repealing the legislation, and it might not be available to us in the next contract talks. My husband spoke at work and they said: Well, Conservatives cannot do that; they are a minority Government. My husband said, no, the Conservatives cannot do that, but if the Liberals vote with the Conservatives to repeal they can help them along with this legislation.

It was the feeling of the workers saying, oh, they will not do that, will they? My husband said, well, unless enough people get out and speak to the Liberals and tell them, hey, if you vote with this, that is a vote against the workingman and to the people who voted for you in that plant and in our area.

I plead with you as well. From your supporters that supported you in the last election, if you really do care about the workingman, and you care about the people who work at this company and their families and the prospect of another long and ugly and terrible strike, then I plead with you not to vote with this Bill, to vote against it and to allow us some time to see what will come in 1991 and other businesses and companies and workers that are going through this situation to see what will happen, whether this legislation will prove to be good or what will be the eventual outcome. This was all very new to us in '88 when we heard of this legislation. We were not aware of it; the workers through our unions had just heard out it, started talking about it. It was certainly a godsend when we found out about it three months later.

I appeal to you on behalf of those workers to allow this to stay in effect for some time and see how it is going to go.

**Mr. Bob Rose (St. Vital):** Mr. Chairman, Ms. Buss, I really think that in their analysis of the situation, they are politically astute and, hopefully they were, in the way they voted, and hopefully when the time comes, it will repeat. I do not know, Ms. Buss, if I heard the number of workers that were involved in this strike that you mentioned.

**Ms. Buss:** Just over 200.

**Mr. Rose:** Two hundred. Ms. Buss, did they principally live in the neighbourhood of Beausejour?

**Ms. Buss:** No, many of the workers—there is a very large area that they come from. There is a plant in Elma as well as one in Seddons Corner. They could live anywhere throughout the Beausejour area: Whitemouth, Pinawa, Lac du Bonnet, Elma and southernly regions. I think there are some as far as Steinbach perhaps.

**Mr. Rose:** So they had to travel fair distances then to get there. Regardless of that, because they come from small communities, I imagine that it was a major sort of an event, certainly of the extent of a very large strike in Winnipeg, on small communities. Is that true?

**Ms. Buss:** Yes, it was.

**Mr. Rose:** Mr. Chairman, I just want to say thank you to Ms. Buss for candidly sharing your experiences with us, your personal and your community experiences. We have listened to you, we appreciate you coming the distance, and we wish you a safe ride home.

**Mr. Chairman:** If there are no further questions, thank you for coming forward, Ms. Buss. Our next presenter is Miss Mary Johnson. Miss Johnson please come forward. You may proceed, Miss Johnson.

**Ms. Mary Johnson (Private Citizen):** My name is Mary Johnson and I live in Garson, Manitoba. I work at Burns Meats and have done so for 11 years. I am really nervous.

The year 1984 is one year I would like permanently to erase from my mind. Our contract was up on June 1 of that year. Burns Meats was fine-tuning their operation. They wanted us to take a \$2 per hour wage rollback and benefit cuts. Their Calgary plant had already been shut down because the workers refused to take a \$5 per hour wage cut. Their Kitchener plant workers were locked out for refusing \$3 per hour wage cuts. We went out on strike to keep our wages and benefits.

Strike. What does it mean to be on a picket line? Fear. Fear you will lose your house, your family, your job; fear you will not be able to pay your bills, the hydro, the phone, food, clothes for the kids; fear that you will be injured on the picket line when the scabs are hired; fear you will be arrested for trying to protect your job because of the fear, stress and anger. I watched my quietest co-workers become raging animals on that picket line. Marriages disintegrated, cars were repossessed, and children were abused.

Final offer selection legislation could have prevented that strike. It was not available to us at that time. Burns Meats very obviously forced us out; they did not bargain in good faith. If FOS would have been one of our options, I believe Burns Meats would have been more reasonable at the bargaining table. They would have had to give a realistic position instead of forcing over 400 people and their families to suffer so severely just so they could realize higher profits. They were making money. They told us they were, and yet they wanted to make more.

\* (1500)

Our contract is up in April of 1991, and all indications are that they want to back us to the wall again and they want wage rollbacks and concessions. We really need this final offer selection legislation. I really think that Burns wants to get rid of it. I really think they are one of the companies that are pushing to get rid of it, because they will not have to bargain with us reasonably.

They will be able to say, you are taking wage rollbacks. We cannot accept that. Our cost of living is going up and up and up and up. I plead with you to keep this legislation. We need it.

**Mr. Chairman:** Are there any questions for Ms. Johnson?

**Mr. Cowan:** Ms. Johnson, how long did the strike last in '84?

**Ms. Johnson:** Seventeen weeks.

**Mr. Chairman:** Ms. Johnson.

**Ms. Johnson:** Sorry. Seventeen weeks.

**Mr. Chairman:** If you will just wait to answer the question till I recognize you so the mikes can be turned on, because everything is recorded here.

**Mr. Cowan:** Does your union pay strike pay?

**Ms. Johnson:** Yes, it does. We started off—we got \$40 per week for the first four weeks we were out. It went up to \$60 for the next four weeks. I believe it went up to \$100 for a couple of weeks, and it was \$120 the week before we went back.

**Mr. Cowan:** You said something that I want to build upon a bit. When you said that Burns Meats—and I am trying to paraphrase you—very obviously forced us out, they did not bargain in good faith. How could a company, knowing how devastating a strike is to individual workers, force those workers out, knowing that they are going to put up with the family disintegration, community disintegration, having to fight for their jobs, picket line possible violence, possible arrest, watching scabs steal their jobs from them? How could any company force anyone into that position? It would seem to me that would be the last thing in the world that the workers would want.

**Ms. Johnson:** Looking back on it now—at the time it was not quite so obvious—but looking back on it now, I believe it was just a strictly money move on their part. What they did after that strike was they—we negotiated so that the pension plan that we were in was stopped and we went into a new pension plan, but they were able to roll over all the surpluses in the pension plan. We do not know how much surplus there was in that pension plan, but we know there was lots. I think they did it on purpose. They also wanted to shut down their other two plants—like the Calgary plant, they were losing money on it—and I think they just used us as a scapegoat.

**Mr. Cowan:** So, in essence, it really was not a strike over which the community and the workers themselves had any control. From your perspective, it was a strike the company wanted for reasons of a more global nature, reasons that did not directly affect and were not directly affected by the operations here in Manitoba, but were driven by corporate decisions made to protect their investments and interest in other areas. They did

not care what happened here; that was just, from their perspective, a bit of a nasty side effect of what they wanted to accomplish from a corporate perspective.

**Ms. Johnson:** That is correct. I do not think they thought of us or considered us at all in it. It was just their decision made in head office.

**Mr. Cowan:** So why—and again I am going to ask you to make a judgment call here—why is it that the workers would go out on strike? They know they are being used in a lot of ways as pawns in a corporate game plan over which they have no control. Some must have known it was going to be bitter; some must have known it was going to devastate their families and destroy friendships and community, and yet, to use your words, you felt you were being forced out. Was there not—and we did not have final offer selection—another option? Was there not some other way to resolve this conflict?

**Ms. Johnson:** There was no other option at that time. Strike was the only thing that the workers could use. They were asking us for \$2 per hour wage rollbacks, cuts in benefits. There was just no way. It was just totally unacceptable to us. I had been working at Burns for eight years then. At no point in time did I ever think that I would vote strike. I would have told people they were nuts. When it came right down to it, we had no choice, no option.

**Mr. Cowan:** During this debate, Ms. Johnson, we talked in this House a lot about balance, balance of power and powerlessness. One of the criticisms of final offer selection is that it shifts that delicate balance in labour relations to give the workers more control and therefore is unfair. From what I hear you saying is that in reality, even though you were going out on strike, you were going out on strike because you were really powerless, because you had no way of forcing the company to come to the bargaining table in a reasonable fashion and to bargain in good faith. No matter what you did in Manitoba, the decisions were being made for the benefit of someone somewhere else, and you had absolutely no power over that situation whatsoever. Would that be a fair analysis?

**Ms. Johnson:** Yes, it would be.

**Mr. Cowan:** Do you think final offer selection is going to even that—well, let me ask you this. Do you think that is a fair situation?

**Ms. Johnson:** No, it is definitely not a fair situation.

**Mr. Cowan:** Would you agree with the following statement? Private corporations with whatever faults and whatever benefits they may have are in business to make business. It has to be able to make a profit. Otherwise, it would be out of business. It has to be able to do so in a socially acceptable way in that it should be fair to its workers no matter where they work. Do you think that should be the case?

**Ms. Johnson:** Yes, it should be.

**Mr. Cowan:** Do you think that was the case in '84 with Burns, or do you think part of that formula was lacking?

**Ms. Johnson:** I would say almost the entire formula was lacking in '84. They just decided what they were doing, and it did not matter what we said. That is what was going to happen.

**Mr. Cowan:** Why do you think they decided to do what they did? What motivated them to do so? Was it to bring benefits to different regions of the country in order to provide for regional development? Was it to teach their employees that they have to fight for their rights once in a while? Was it to help them pay more taxes so they could benefit social programs or was it so they could make a little bit more money in a manner in which they wanted to make it without any interference from workers no matter where they may live or work?

**Ms. Johnson:** I believe it was strictly so that Burns could make more money.

**Mr. Cowan:** When you talked about strike, and when you first defined the strike, you talked about fear, fear of losing your house, fear of losing your family, fear of losing your job and fears that you were going to get beat up on that picket line, or maybe you were going to have to beat someone up on that picket line, fears of vandalism, fears of being arrested for trying to protect your job which someone is trying to take away from you and someone else is trying to give to someone else—all of those fears, and you indicated earlier that you worked at Burns for I think eight years before the strike.

In your opinion, if someone had told you when you started with Burns or any time during that period of time that you were going to vote for a strike—and I am not asking how you voted, it was a secret ballot I am sure—you said that you would have said to them that they were a little bit off the wall, perhaps they had not analyzed things correctly, yet you went out on strike. You have lived through that experience, obviously not a very good experience. If you had to go out on strike again, now knowing what you know and your back was against the wall, would you vote for the strike?

**Ms. Johnson:** In the same circumstances, yes. I would not hesitate to vote strike, because workers have to keep their pride. I am proud that we did that. I do not think you can bow down and just be rolled over. We have to live, too.

\* (1510)

**Mr. Cowan:** I am trying to place myself, Ms. Johnson, in the position that you are in, or that you would be in if a strike vote were to come up, in the position that you were in, in 1984. Would it be fair to say—and if I am putting words in your mouth, please tell me so and say it differently the way you would like to say it. From what I have heard you say, would it be fair to say that you felt powerless not to vote against a strike and would feel powerless in the future, that you would not want it and you would far prefer another way of

resolving the irreconcilable differences, but nonetheless, in spite of all that you would be powerless not to vote against that strike? Is that a fair assessment?

**Ms. Johnson:** Yes, the feeling of powerlessness is definitely there. You had no choice. The strike vote was 98 percent. There were well over 400 people that voted. We had no choice.

Now, if a strike vote had to be taken in 1991—I am divorced now so it would be a lot harder decision for me to make, because I am responsible for four kids—but final offer selection definitely gives us the option, so I might not even have to make that consideration. I might not have to decide to vote strike. It gives us an option. We can go that way. I see it as saving a lot of people from having to make that decision.

**Mr. Cowan:** I want you to address this question directly to the Minister responsible for the Status of Women (Mrs. Hammond), or this answer. What would happen to those four kids and yourself in that situation if you had to go back out again on strike for a month, two weeks, two months, three months?

**Ms. Johnson:** Oh, geez, my oldest daughter is working so she would probably be fine. I would go on welfare. I would have no choice.

**Mr. Cowan:** The language you use is interesting. You say that you would go on welfare because you have no choice. Again, I get that sense of powerlessness, that there really is no fairness out there, there really is no balance out there.

If a company whose corporate decisions are made elsewhere, for reasons totally detached from your own future, yet they make those decisions based on those reasons, over which you have no control, and they decide not to bargain in good faith, you are powerless not to vote for a strike. Once you vote for a strike, you have no choice or you are powerless but to go on welfare. How do you feel about that?

**Ms. Johnson:** You just do not have any control over what is happening in your life, and you should have. Like in Canada, in Manitoba, we should be able to control where we are going in life. We should not just have big business corporations making our decisions for us.

**Mr. Cowan:** If I can just take one moment to note that and I will come to my next question.

Ms. Johnson, there are—final offer selection—let me ask the question this way. Do you think final offer selection would give you some of that control?

**Ms. Johnson:** Yes, I do. I have seen final offer selection work in other workplaces where friends of mine work. I have seen it prevent strikes. I have seen it end strikes. I really like the fact that the workers get to vote on something that can prevent violence, that can prevent degrading yourself, that can prevent your mother and your father, who are farmers, from screaming and yelling at you for not going to work so their cows get killed.

I just think that final offer selection is one law that is really innovative. It is great; it is a bargaining tool; it is an addition to your contract.

Dealing with a company like Burns Meats, I do not see them ever allowing a clause like that to get into an agreement. I just do not see how they would ever allow that, but when it is government legislation, then they are forced to bargain. They are forced to come to the table and what they give us for amendments to the contract has to be something reasonable. It has to be something that they can live with and that workers can live with. It makes sense to me; it makes so much sense I do not know why it should be repealed.

**Mr. Cowan:** I share that last question with you, as do many. We do not know why it should be repealed, yet we are here unfortunately looking at a possible repeal. I think, Mrs. Johnson, your comments have been helpful in better understanding why it should not be repealed. I just want to ask a few more questions addressing a specific area.

It has been said that part of the problem with final offer selection is that the employers do not have the same rights as the employees with respect to the democratic vote which you just referenced. Certainly, I accept the fact that you felt powerless in being able to avoid a strike and would feel powerless in the future under those circumstances because the company has a lot of power over your lives, which you have no way of having any control over. I have also heard you say that a strike is a horrible thing, not your words, but paraphrasing it, when you are in it.

There are some that may suggest that in order to make this fairer that final offer selection should be available to the company in the same way that it is available to the union. In other words, maybe the board of directors, wherever they might live, could vote to impose final offer selection on the union if the union did not want it or that there should be some mechanism to allow the company to mandatorily force final offer selection onto the union. Do you think that given the balance of power as it is now that would in any way be fairer? Second, do you think that there are times when a union has to be able to strike to defend principal issues? Even with final offer selection around, do you think there will be strikes of that nature and that to outlaw those would be to upset the labour relations climate in a significant way in this province?

**Ms. Johnson:** I do not believe that the employers should be given the right to impose final offer selection on the workers. They are the power. They are all-powerful. All that final offer selection does by allowing the employees to vote on it, the workers to vote on it, is that it gives them—it is their decision, it is not the company again saying, you are doing this and that is that. They do that to us all the time. If final offer selection is put in that perspective, they have done it again; you have taken away one of our bargaining tools again. There again they are forcing the employees to do it, and they do that now, they do it with everything. There still has to be the right to strike; that still has to be there. It is the one thing that the workers have that gives them a bit of an edge over the employers. We

have to keep that; we have to have something. Otherwise, they will just run right over us.

**Mr. Cowan:** You said that you thought the company would never allow a final offer selection clause to be negotiated in their agreement. Why is that?

**Ms. Johnson:** Burns Meats is such a great company to deal with. Actually, before '84 they were not half bad at all. Right now I think we have 27 cases filed for arbitration just from last year alone. They nit-pick on everything. I really do not see them as accepting it, because I think it would give us something to bargain with, and they do not want us to have that.

**Mr. Cowan:** Can I test a theory against you, Ms. Johnson? I believe that the companies would never allow, or would certainly fight a clause for final offer selection in the collective agreement, because they know now that they have more power than the workers to shape business decisions that affect directly the workers, to cause strikes, to lock out without any recourse to a democratic vote, to nit-pick their way through a contract using all sorts of ways to stall not only the justice that has been negotiated, but the implementation of that justice in the workplace. They have the cards stacked in their favour, and they know that is not a balanced situation. For final offer selection to be mandatorily imposed upon a circumstance, they would lose some of that power. It would be more even, and being more even is not in their best interests. Would that be from your perspective a fair assessment? If not, change that in any way you wish.

\* (1520)

**Ms. Johnson:** It sounds fair to me. That is the way I would interpret it, for sure.

**Mr. Cowan:** Do you think the other workers in your workplace, and I know that you are active in the labour movement generally, the other workers in and outside of the labour movement feel the same sense of powerlessness and feel the same sense of a need to even out the balance a bit?

**Ms. Johnson:** Yes, I do.

**Mr. Cowan:** You have had personal experience that I think in a lot of ways probably shaped the way in which you perceive the workplace, through the strike in 1984. You have seen other experiences around you happen that were equally devastating to families, friends and communities, but you still believe that it is important that even with final offer selection the right to strike not be taken away, so that in those instances where principal issues are at stake or where labour has to make an against-the-wall battle to defend itself, they at least have that option available to them as well.

**Ms. Johnson:** Yes, that is right.

**Mr. Cowan:** You also think, however, that final offer selection will help avoid strikes where there is an intransigent company that is making corporate

decisions based on their corporate spreadsheet, which may not at all take into consideration what is happening in a community in Manitoba, that final offer selection can help the union make them negotiate more reasonably and bring them to the bargaining table?

**Ms. Johnson:** Yes.

**Mr. Cowan:** Do you think that labour will win the favour of the selector or the arbiter in every case if final offer selection takes place, where the arbiter has to make a decision?

**Ms. Johnson:** No, I do not. I do not think they will. I think that when you are using the final offer selection process that both parties have to submit really reasonable demands, they have to be fair. So by the time you are getting to the selection process, they have to be pretty close to each other so that the decision could go either way.

**Mr. Cowan:** So while we will force the parties closer together, sometimes labour will pick up the bag, sometimes the employer will pick up the bag. Is that a fair assessment of how you perceive it working?

**Ms. Johnson:** Yes, it is.

**Mr. Cowan:** There has been a criticism, and I am certain you heard me express it to the earlier presenter, that some people think that unions might purposely extend the length of time they are at strike in order to apply for final offer selection. In other words, you are coming up, you have to decide whether you are going to go on a strike and someone says, well, what the hell? If we go on a strike anyway, in a couple of months we are going to have final offer selection and we are going to have at least a 50 percent chance of getting what we want then, so let us take the couple of months on the picket line. Would that ever happen?

**Ms. Johnson:** Whoever is saying that has never been on a picket line, I am sure. It does not even make sense, because for every week of wages you lose you are losing more of what you worked for.

**Mr. Cowan:** Have you been involved directly in negotiations with Burns in the past, and if so, on how many different occasions?

**Ms. Johnson:** I was involved at the bargaining table in '86 and '88.

**Mr. Cowan:** Did you win gains in '86 and '88 that perhaps the company did not want you to win, but in the quid pro quo, the trading off which is the dynamics of the negotiations, they won some things that you did not exactly like and you won some things that they said in the beginning they would never accept?

**Ms. Johnson:** That is part of the negotiating process. Yes.

**Mr. Cowan:** Yet they have accepted those gains that you have won, even though I am certain in the first

instance they told you that it would mean the end of the operation or so reduce their economic viability that they would not be able to operate under those circumstances.

**Ms. Johnson:** Yes, as a matter of fact we got a 50-cent raise coming up on April 1, and they held a meeting last week with all the employees to tell us what a hardship it was for them to give us that.

**Mr. Cowan:** You have heard business in the past say that there are certain improvements in working conditions or wage levels that they just could not live with. They constantly say that they cannot live with them, but somehow these companies manage to survive and make a profit.

**Ms. Johnson:** Yes, they do.

**Mr. Cowan:** Well, across the table, the Member for St. James (Mr. Edwards) said: and some do not. In your experience, do you ever know of a circumstance where it can be definitively said that a set of labour negotiations put an employer out of business?

**Ms. Johnson:** I know that in 1984 Burns said that we did that to them in Calgary, but if that company was going under, why would—a \$5 per hour wage cut is not even reasonable. If they are asking something like that, they obviously just wanted to close that plant down anyway and cut their losses. I know that they did blame the workers for going on strike for that plant closure, but I do not believe it.

**Mr. Cowan:** Can you run through quickly the process of developing and negotiating a mandate for a negotiating committee from a union perspective from the basis of your own personal experience?

**Ms. Johnson:** What are you asking?

**Mr. Cowan:** How do you develop the positions that you are going to be putting forward in the mandate that your membership gives you to take to the bargaining table?

**Ms. Johnson:** The amendments we take to the bargaining table, we hold general membership meetings of the union membership and ask them what changes they would like to see in the contract. We review what problems we have been having with contract for the duration of the contract and we make amendments on that basis. Once they have been approved by the general membership, then the bargaining committee takes that forward to the company.

**Mr. Cowan:** One of the things that most workers value most and particularly value most in these sorts of economic circumstances today is their jobs. You told me that in the event of a strike, and I imagine the same may happen in the event of being laid off or fired, after your unemployment ran out you would be forced on welfare, that that is something that you would not want to have happen, you would rather work for a living. Do you when you sit down and think out what mandate

should be brought forward to the negotiations and when you talk to your employees, the employees who work with you, some of whom have different ideas as to what they should bring forward to the bargaining table, do you quite often talk about the effect it is going to have on the company? Is it quite often the process that you have to weed out certain things that people would want to see happen because your assessment is that the company just could not afford them at that time?

**Ms. Johnson:** Yes. We always get amendments asking for the moon, but we tend to try and be reasonable when it comes to the ones that actually go to the bargaining table.

**Mr. Cowan:** Is there any circumstance where a union would attempt to negotiate their employer out of business by making demands on them that they felt they could not meet?

**Ms. Johnson:** That does not even make sense, because we would not have a job, and we need our jobs to live.

**Mr. Cowan:** From time to time we hear talk of concessions and rollbacks. We do not like that talk, but we know of circumstances where it happens. Do you know personally of circumstances where union membership have said—and we saw one just earlier—but do you know if others have said, look, we are going to have to take a rollback or wage freeze or some different language that is not to our benefit in order to help our employer survive, where they believe it is not being used as a gimmick by the employer to force him into negotiating positions, but where they think there is an honest assessment that may be the case?

**Ms. Johnson:** Yes, I do. In Burns Brandon, my co-worker out there took wage cuts because they believed the plant would close down if they did not.

**Mr. Cowan:** That addresses the side comment from the Member for St. James (Mr. Edwards) with respect to some do go out of business as a result of, I think probably, more poor management or really extreme economic circumstances and lack of competitiveness and free trade and a whole host of other issues outside of the contract.

If your employer came to you, opened up the books and said: Here is where we are. You are going to have to help us financially by re-entering into the negotiations in mid-contract, because we believe, without doing so, we are going to lose this operation. If they were honest and forthright with you, opened up the books in their entirety and were able to prove that was the case, would you be prepared to sit down and talk to them about how, in a fair manner, you could share that burden and make that plant more economical?

\* (1530)

**Ms. Johnson:** Yes, I would and I would recommend that my fellow workers do the same.

**Mr. Cowan:** That would not be a unusual position for a trade unionist to take, although they would not like

being put in that position. When push comes to shove, the most important thing is the job.

**Ms. Johnson:** That is correct.

**Mr. Cowan:** A fair wage, a healthy workplace, a safe workplace, some dignity, some ability to have some control over the events that go on around you in your workplace, and a sense of pride in what you have been able to accomplish as a worker, do you think those are important to workers and that they would strike at any time for those very basic principles?

**Ms. Johnson:** It is very important to workers.

**Mr. Cowan:** Would you be opposed to anyone that would suggest that they could not have the ability to do that because the employer could impose final offer selection process on them in the event that they wanted to take away some of those principled rights?

**Ms. Johnson:** Yes.

**Mr. Cowan:** That is, for the moment, the end of my questions. I want to thank Ms. Johnson for coming today and sharing with us some of the things that happened in her own strike situation in 1984, and what she has learned by a greater involvement in her own plant and in the labour movement generally since that time.

I want to make one comment though and then ask one final question. In making the comment, I want to repeat something you said which I wrote down as best I could at the time. You said you felt in the situation where a company was intransigent and did not want you to be able to negotiate in good faith with them, would not come to the table in good faith and in a reasonable way, you said that you do not have any—I am quoting yourself—you do not have any control over your life and you should have control over your life. The immediate question before that was, what would happen to you if you had to go out on strike again? Your answer was, you may have to go on welfare this time, and that you did not want that to happen but you would have no control over your life.

Is it fair to say that final offer selection, in the face of an intransigent employer, in the face of one who wants to make corporate decisions based on circumstances outside of your control, is a way of gaining some of that control over your life? I will ask that question, and I will also ask you to do what some others have done and that is to say directly to the Liberals, because I do not think we will change the Conservatives' minds on this, even if the Minister for the Status of Women (Mrs. Hammond) is sitting at the front of the table. I do not think she has heard your commentary from a woman's perspective and the one previous. I do not think we are going to change their minds. I have given up on them. I understand where they come from.—(interjection)— Well, I have given up on the Conservatives. I understand where they come from. They come from a big business perspective. They owe big business. They kowtow to big business. They play big business' games when they are in the

Legislature. That is who their friends are and that is who their friends will be as long as they remain Conservatives. If they do not like that situation, they should find another Party to be a Party to.

The Liberals, however—(interjection)—well, the Member for Ste. Rose says that—or not Ste. Rose, sorry, the Member for St. Vital (Mr. Rose)—

**An Honourable Member:** The rose from St. Vital.

**Mr. Cowan:** The rose from St. Vital, yes, and he is indeed a gentleman from time to time, although not all the time—says that we vote with the Conservatives. From time to time we do, although we have not voted with them nearly as much as the Liberals have during their short tenure. In Opposition the two have found themselves in cahoots. Well, no, the votes are very clear.

I would ask you then—and I am going to get sidetracked before I ask the other question—are some votes more important to you than others? Do you think that the final offer selection vote, which, if the law is repealed, will take away from workers an opportunity to have more control over their lives, would be a very significant motivating factor in those people who might for whatever reason—I cannot condone it, nor can I understand it—be thinking of voting Liberal the next time? Do you think that taking away this very basic opportunity to gain control, to put some fairness and balance into the system, would have a much more profound impact on decision-making among your friends and workers than would many other votes that have taken place today?

**Ms. Johnson:** I would say quite definitely that if the Liberals vote in favour of the repeal of final offer selection, I will personally make it known to all my friends, all my family, all my co-workers. It will be up on the bulletin boards everywhere, and I will just say, our chance to settle without a strike in 1991 has been taken away by the Liberals. So if you are thinking of voting, there you go. You know what not to do.

**Mr. Cowan:** You know, I do not know why it is, Mr. Chairperson. Maybe it is that optimism blooms eternal; maybe it is just I am that kind of a guy that wants to give people a chance. But you know I think the Liberals might be thinking about changing their mind. I think they might be thinking about changing their minds because of what you have said today, because of what others have said today. You know, Ms. Johnson—well, you probably do not know—but in a lot of my history in this House I have had to change my mind from time to time. I have found the most difficult times to change my mind are the times when I had stated something publicly and then had to backtrack a bit on it. I usually did that because in thinking things out I came to the conclusion that my pride was probably not worth as much as the principles with which I hope to live my life to help people, to make circumstances fairer and more balanced and better to build an equitable society. Even though I had to take some of my words back from time to time, I actually felt good about it after I got over the temporary embarrassment, which was a bit of a flush and did not last long.

I say that not to you but to my colleagues across from me because I know the difficult time they are going through. I know that they are trying to find a way to do what they think is right. I believe that you and others have been able to convince them that their initial position on this was not the right position, that perhaps they had listened too closely to big business and not closely enough to ordinary Manitobans and workers. I want to be helpful in helping them to come to the right conclusion in this matter. You can be helpful to me in that objective.

What would you say directly to the Liberals today to have them carry back to their caucus room on Monday, when they are going to be discussing this in some detail. There are going to be those who say: Let us not proceed with our initial decision to repeal final offer selection; let us try this option or that option. There are going to be those who have said: We have already stated that we are going to have to stick with that original decision to repeal final offer selection in spite of all we have heard. What advice would you give them to help them through that dilemma, which is a very difficult one and will take place behind private doors and we will not have the opportunity to say to them then what might help them change their mind?

**Ms. Johnson:** I have put myself in that sort of position several times where I have publicly stated something and then afterwards found out and got information otherwise and had to stand up and publicly state that I made a mistake. I apologized, but we have to do the right thing. That is what I am telling the Liberals to do, you have to do the right thing, you have to represent the workers of Manitoba. We want final offer selection legislation to stay there. It benefits us. It is a bargaining tool. It is a good thing to have.

**Mr. Laurie Evans (Fort Garry):** Certainly I want to thank you for your presentation because while Mr. Cowan may feel that some of us are impossible to change our minds, or have any influence on us, I would hope that I can be objective and open-minded on this. I certainly appreciate your being as candid as you have.

Some of my questions are more for clarification than anything else, I would believe. You have indicated to us that you had this lengthy strike, one that you would like to forget, but probably never will. Can you indicate—I gathered from your comments you also had negotiations in '86 and '88 and there is another one coming up in '91. I assume then that in 1988 final offer selection was available to you if it had been necessary to go that route. Is that correct?

**Ms. Johnson:** Yes, it is.

\* (1540)

**Mr. Laurie Evans:** How close do you feel you came to having to go that route in 1988?

**Ms. Johnson:** The contract was settled without having to consider it. We negotiated a three-year contract, but it was settled without a strike vote.

**Mr. Laurie Evans:** Do you feel that the fact that FOS was there in the background was a factor in being able

to reach the negotiated settlement without having to use it?

**Ms. Johnson:** It was mentioned at the bargaining table on several occasions, but just as that we could always go to final offer selection if we could not get something settled at the bargaining table.

**Mr. Laurie Evans:** The indication is that this is particularly a useful tool in the case of, and the term has been intrans—unreasonable is better, I cannot get my tongue around that one today, but an unreasonable employer. Do you feel that it is something that should be available across all contracts, or should there be some triggering mechanism, or you feel the triggering mechanism is already there, that would kick FOS into operation only in those cases where you had an unreasonableness or an unwillingness to bargain in good faith?

**Ms. Johnson:** I think that FOS, you never know when an employer is going to turn unreasonable. Prior to 1984, Burns had been a very good company to deal with. They had been excellent. We had—our contract was fairly good, we had never had a problem with them at the bargaining table. They had always treated us like human beings.

It was really shocking for us when they came to the bargaining table in '84 and said, this is what is happening. Since then the circumstances have never been the same. It is a totally different atmosphere. They like to say the Burns family, but it was before '84, it really was, but after that it is just destroyed. They destroyed it by becoming unreasonable, I guess you would say. I think it has to be overall because you do not know which employer is going to be unreasonable. They can be perfectly good for years and years and years and then all of a sudden some management decision will be made or something that makes them say we are going to crack down on these people.

**Mr. Laurie Evans:** One difficulty I have had, and it may be my own lack of understanding of this, but I have heard it in the comments between yourself and Mr. Cowan, and that is an argument as to why you do not think the management should have the same right as the employees when it comes to saying yes or no to final offer selection. While I do not want to accuse you of using rhetoric, I got the impression that we have heard much the same argument about the employer being the one that has all of the power. That may well be, but that is obviously a case of perception. I wonder if you could elaborate a little bit as to why you think the employees should have the right, but not place it in the hands of the employer or management, to accept or to request that final offer selection be used.

**Ms. Johnson:** Okay, my understanding of final offer selection is that the employer can apply to have it used. They just cannot impose it; the employees have to vote on it. I think that is very important because as soon as you get the employer able to impose it, you are back to the same thing as locking them out. It is giving the power to the employer again, and the employees are just at the call of the company one more time. It

is management saying this is what you have to do, you have no choice. It has taken our choice away again.

**Mr. Laurie Evans:** Mr. Chairperson, I am particularly concerned, and I am sure you have more information than I do, and that is with the whole meat packing industry in Manitoba. As you well know, Burns has become really the only significant player in the game here in Manitoba any more. You have indicated that out at Brandon you have already had some major changes there, and the employees have had to take not only hour leave, the reduction in hours, there is work sharing, there is job sharing and the whole thing out there.

I am not going to ask you whether you would impart some of this to free trade. Personally I think the Free Trade Agreement has had a major impact on that. I do not think I can convince my Conservative colleagues that it has, but I am satisfied that we are losing the meat industry in Manitoba primarily because of the Free Trade Agreement. If we pursue that a little bit further then, what do you anticipate as being the relationship between Burns and its employees under these circumstances? Do you anticipate Burns being able to continue on and be competitive in Manitoba as compared with the competition they are getting from Cargill and the major plants that are opening up in Alberta, or are we looking at eventually the demise of Burns in Manitoba unless there are some real major easing off and even wage settlements that are rollbacks and that sort of thing in Manitoba for Burns?

I am asking you because I assume you have a lot more information about it than I do, but frankly, as Agricultural Critic for the Liberal Party, I am concerned about the longevity of the meat packing industry in Manitoba, particularly the beef component.

**Ms. Johnson:** Well, I do not know where this fits into FOS, but anyway, Burns Meats in Winnipeg, we are a large processing operation. We only kill about 100 to 150 beef a day. Most of our sales go out east. We compete largely with eastern Canada, so on that basis I would think that our wage settlements and that should be based on what eastern Canada is getting. We like to believe that. At the bargaining table next time around, the position that I have seen them taking and the way they are talking now, I expect they are going to be asking us for wage rollbacks. If they have to open their books to a selector on that basis and show where their competition is, they are not going to get wage rollbacks because they are going to have to compare with the eastern wages. If they do not have to do that, then they could end up with wage concessions. We would have to go out on strike, I would think, if the final offer selection is not there.

I do not know what the future is for Burns Meats Winnipeg. They are a modern operation; they should be viable. They are complaining right now about Hog Marketing Board's decision to sell the 2,200 hogs to Neepawa to pull Neepawa out of the—(interjection)—Yes. I will keep the packing house language out of it.

**Mr. Laurie Evans:** You indicated to me that you did not see where FOS fit into this argument, but where

I see FOS fitting into this argument is that if you are faced with the decision as to whether or not you get what you regard as a reasonable settlement, and I certainly do not argue that you should not be looking for a reasonable settlement, but it seems to me that the management always has the upper hand in that they can make the decision at any time that they are going to close the plant.

I have a little difficulty within my own mind and maybe it is just me that I have difficulty comprehending this. Where can FOS fit into this in terms of that being the option either which the employees regard as a reasonable settlement versus the plant deciding to shut its doors, even though the employees regard it as still making a significant profit, because obviously the bottom line with any company is whether they are in the black sufficiently that they feel that it is worthwhile continuing their operation. I see a little contradiction here between FOS and the employees being willing to make the compromises that are necessary for the plant to stay in operation if the decision is, well, we either get the compromise we are after or we shut the doors.

\* (1550)

**Ms. Johnson:** With my experience with Burns Meats in 1984, if they are going to close those doors, they are going to close those damn doors. It does not matter what we do to them. So I do not know where that would go to, but for the 1991 contract, if we have the final offer selection legislation there, they do have to come and bargain with us properly. If they decide to close, they will close, but if they are going to come and bargain with us fairly and properly, then they will be forced to do it, because there will be somebody there that will say, well listen, you talk to these people and if you are not going to offer them something proper, then show us why you cannot. A selector can do that. I think that is something that will make Burns take a reasonable stand.

**Mr. Laurie Evans:** I do not want to delay this unduly, but I want to get a little more clarification. You say under FOS that the selector can force Burns to show her/him the books. Now they really do not, do they? My understanding of FOS was that both sides came in with what they regarded as being their final offer. The selector then has the option of selecting one or the other. The selector cannot pick and choose bits out of one and bits out of the other. It is an all-or-nothing situation. Is there an obligation whereby the selector can force the company to show him or her the books? I was not aware that was in there.

**Ms. Johnson:** No. What I understand they have to do is justify why they are making those demands, not show the books so much as justify why they are making those demands.

**Mr. Laurie Evans:** I have had the unique situation and probably you would not think the unions that I am involved with are typical, but I have had the good fortune or otherwise to be involved in a final offer selection issue. The Member for Churchill (Mr. Cowan) asks which one it was, and I am not trying to hide it. I am a member

of the University of Manitoba Faculty Association which has had final offer selection for only the financial issues. They do not involve the other issues.-(interjection)- It was good fortune in the sense that in both cases it went to final offer selection, the selector picked the union side.

**An Honourable Member:** Did the university go broke?

**Mr. Laurie Evans:** The university is broke, but that is beside the point. It was broke to begin with. In those cases I do not think that the selector had the authority to ask either side to come forward with any justification. The selector did have the opportunity to talk to both sides, but I think he would have been within his rights to have selected one or the other without ever consulting with either of the principals if he had been so inclined. So I do not think he had anything that obligated him to seek justification for either of the final positions.

**Ms. Johnson:** Somebody just handed me the excerpt from the law, so I can read it to you.

**Mr. Laurie Evans:** Okay, I would appreciate that.

**Ms. Johnson:** "Factors to be considered in making decision.

94.3(8): "In making a decision under subsection (4), the selector may take into account (a) the terms and conditions of the existing or any previous collective agreement between the parties; (b) the terms and conditions of employment, if any, negotiated through collective bargaining for employees performing the same or similar functions in the same or similar circumstances as the employees in the unit; (c) changes in the cost of living as reflected in the Consumer Price Index for the City of Winnipeg published from time to time by Statistics Canada; (d) where in the opinion of the selector, the employer has provided sufficient information in respect thereof, the continuity and the stability of employment for employees in the unit; (e) where, in the opinion of the selector, the employer has provided sufficient information in respect thereof, the employer's ability to pay; . . . ."

**Mr. Laurie Evans:** The key is that it may—they can and usually do—in my experience both sides provide a fairly comprehensive document with their final offer. They do not just put in and say, well, this is what we offer under the eight or 10 articles that happen to still be remaining at that time. I think in most cases they attempt to give the selector a pretty detailed resume of the rationale for the position that they picked.

The other thing, and I agree with you on this, it forces both sides to come to a very, very similar final situation. They could almost toss a coin as to which one they take. To me that is a bit of problem, because it forces it into the centre so much that it is a settlement that really has very little change from the previous one. As I have seen, they revert back to the previous contract and that is essentially what they abide by.

The other question I would like to ask you regarding FOS is: Do you see any merit in having FOS restricted

to only being able to deal with specific articles in the contract and those articles being those that are directly related to the financial aspects of it only? I am thinking in terms of only the salary, perhaps the financial components of fringe benefits, but not getting involved in some of the other structural type of things.

We can always argue that holidays, other fringe benefits, are essentially pay items in a sense, because they are in lieu of additional pay. There are always some employees who would prefer to just have nothing but the salary. Let us worry about our own pensions, our own parking privileges, our own holidays and all that sort of thing. Just give me the money and let me worry about it myself.

In some cases—and the one I am familiar with, there are an awful lot of other articles in there that are not related to pay or to salary component at all. Is it reasonable to have FOS restricted so that it only deals with those articles in the contract that are directly related to financial aspects?

**Ms. Johnson:** The financial aspects are easy to put a value on. When it comes down to contract language, both parties have to agree on that. I think it is something that the two parties really do have to agree on. The rest of it, I do not know how a selector could go in there and say that you have to have this language in your contract. I believe the contract wording specifically has to be agreed upon between the employee and management.

**Mr. Laurie Evans:** Is what you are telling me essentially then that FOS never comes into play until most of the other articles have been settled, and the articles that are left for FOS are really the financial ones anyway? The rest, such as definitions and all the other articles that are in the contract, are usually the first ones to be dealt with. It almost invariably ends up with the ones that are left, that are contentious at the end, are the financial ones anyway.

**Ms. Johnson:** In my experience it has been the financial ones that have been the hangups.

**Mr. Laurie Evans:** It would be very rare that a strike is ever called on issues that are non-financial.

**Ms. Johnson:** Oh, hold it, no. Workers go on strike for principle.

**Mr. Laurie Evans:** You would say that in the case of Westfair that was principle.

**Ms. Johnson:** I was not involved in the—

**Mr. Laurie Evans:** No. No, I understand that, but I am sure you are probably familiar with it, because that is the one that probably has more presenters who have been dealing with that one than any other individual one. I have just one or two final questions then still. What was the final outcome of the 1984 strike in terms of, what did you as an employee gain from that 1984 strike?

**Ms. Johnson:** My job back. We went back with a wage freeze.

**Mr. Laurie Evans:** You went back with a wage—

**Ms. Johnson:** Freeze on wage and benefits.

**Mr. Laurie Evans:** So essentially it would be very hard, other than the fact that you retained your dignity and the other things that you have mentioned here this afternoon, but in terms of an improved contract, you really did not gain an improved contract over that strike.

**Ms. Johnson:** No, we did not.

**Mr. Laurie Evans:** Do you see any downside whatsoever to FOS?

**Ms. Johnson:** No. I do not know why it works. It is a good bargaining tool. It gives you another position to take, something else that you can have that does not make you walk a picket line.

**Mr. Laurie Evans:** Well, the final question then—and I want to thank you for your answers, because you have certainly helped me in some aspects of this—can you give us a recommendation as to what you would see if final offer selection were not rescinded, it went through to the sunset clause? What would you recommend as the way in which this particular tool should be assessed if and when someone has to make the decision as to whether it is eventually dropped or whether it is continued?

The reason I ask—that is, labour-management relations tend to fluctuate a great deal based on the economy of the country, or the province in this case, during a period of time. Despite what my colleague and good friend from Churchill has said in the House, and many other of the NDP colleagues, I do not think that the statistical information that is currently available will ever convince me one way or the other as to whether final offer selection has really had a positive effect in Manitoba in the short period of time it has been here, because I think it is confounded by many, many other things. I am not convinced that even after a five-year period, unless you have five years that are so-called very typical or very average—and I do not know what that means—I would have difficulty determining how to really look at it and say it has or has not worked over that five-year period.

I do not think you can take such things as the number of work stoppages or the average length of a strike or that type of thing as being meaningful because there are so many other factors that play into that over and above the availability of FOS. Can you give me your recommendation or your thoughts as to how it could be very objectively assessed at the end of a period of time.

**Ms. Johnson:** I hope I hear you saying that five years is not long enough and want it to be 10.

**Mr. Laurie Evans:** Well, I will respond to that. It is not that I am saying five years is not enough or I would want 10. I am more concerned as to an objective—and I will carry this a little further, Mr. Chairperson, if I may—if it is rescinded at some particular date, how

would anyone look at the experience over that period of time and say it has or has not worked well? I have difficulty, and maybe I am a little naive or stupid—I mean, I have been around long enough to know that you can make some foolish -(interjection)- Well, my friend here says that I am wrong, but I understand that this is a complicated thing.

I have read a fair amount about it and I have been involved in it as I have said, so some of my comments tend to be quite personal, but I have tremendous difficulty coming up with an objective way of assessing it and saying, yes, it has done well, or no, it is not effective. I would like to know from you how you would think it should be objectively evaluated at the end of a specific period, whether it is two years, five years or ten years. How would you go about doing it?

\* (1600)

**Ms. Johnson:** Okay, I have never given this much thought, but I would say one of the first things you would do would be to look at the number of contracts that have been settled in the year, look at how they were settled. Like, was final offer selection ever considered in those negotiations? If there was a strike, the length of the strike, but I think you would have to base it on the number of contracts settled. You would have to look at that, not just at saying, there was a strike and it was this many days long. I think you would have to look at it overall how many, because you would have to take in the number of contracts settled to see if final offer selection was a consideration in any of those contracts.

**Mr. Chairman:** The hour being four o'clock, and we decided that would be our time to rise this afternoon, do you want to—

**An Honourable Member:** Could I ask just one final question?

**Mr. Chairman:** Yes, Mr. Rose.

**Mr. Rose:** I would suggest that we ignore the clock until this presentation is fully finished and heard from.

**Mr. Chairman:** One question from Mr. Evans.

**Mr. Laurie Evans:** It will be a bit of a compound question here. Would you agree that comparing Manitoba with another jurisdiction that does not have FOS over the same time frame and try to identify another jurisdiction that has, say, the same population, more or less the same size of labour force, roughly the same number of companies and so on would be a logical way of looking at it.

Secondly, it would seem to me that if there is going to be an evaluation of the process, it needs to be done by somebody who, No. 1, is knowledgeable, and secondly is totally impartial. In other words, to have somebody like Mr. Cowan and somebody who is, say, the Bernie Christophe, Bruno Zimmer type and somebody who is a director of a large corporation, it would seem to me they are not the logical ones to look at it.

Would it be feasible to bring in somebody like the principals in the business management from Queen's University or somebody like that at the end of a period? -(interjection)- Well, perhaps the Harvard school of negotiation, but I am thinking in terms, if this is going to be continued, there is a requirement in my view to have an objective assessment done of it at some period of time. Otherwise, you run into—at the end of two years or at the end of five years, whatever it happens to be, the situation where you have two sides both saying, one say, well, this has not done a damn thing for us, the other one saying this has been our saviour, and you end up with the same political problem that we currently have.

I would like you, as one who is very knowledgeable and experienced in this, would you think that an unbiased assessment at the end of a period of time would be worthwhile or even essential?

**Ms. Johnson:** I am not exactly experienced in this. I have never dealt personally with FOS. I would have to leave a decision like that to be made by somebody that has more than I have.

**Mr. Chairman:** Mr. Cowan, do you have a question?

**Mr. Cowan:** A couple of quick questions. I would just ask, if we do not have the five years, Ms. Johnson, to evaluate, does it matter really who evaluates it? In other words, in order for that question to be anything more than a theoretic or a moot question, we really have to have at least the five or 10 or four, whatever years in place. Would that not be the case?

**Ms. Johnson:** I think you definitely need more time than what we have now, so let us make it 10.

**Mr. Cowan:** One of the points that Mr. Evans brought forward with respect to language, and language not being a part of the final offer selection process or suggesting that it be confined only to financial components, I would ask you, if that were the case, could not this problem arise? A company would want to have some concessionary language, take-out, take-away language on principled issues which were unreasonable, patently unreasonable, but not in their perspective. Okay? You have all the negotiations go on; you settle all of the negotiations except one or two of those language issues and the financial component.

Would you not feel that it would still be necessary for final offer selection to be able to deal with those sorts of circumstances and the language involved in those sorts of circumstances to avoid a strike, because in that circumstance you in fact could solve the financial problems and yet still end up in a strike because of take-away language?

**Ms. Johnson:** Yes.

**Mr. Cowan:** One other point the Member for Fort Garry (Mr. Laurie Evans) made was that there is very little change from the previous contract with final offer selection that you tend to find the middle ground. I think that is probably accurate in most of the cases,

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although not all of the cases. What it does, it does force people into the middle ground.

My question to you is then, is it not therefore necessary to retain the right to strike so that the major initiatives that can only come through hard-fought battles on the picket line can still be accomplished and we can have an evolutionary process? Most of the major issues, the 40-hour week, health and safety, those types of issues have been won on the picket line and not through arbitration. While final offer selection would keep you in the middle ground in those instances where that was the appropriate place to be, you still need to retain the right to strike to fight for progress. Would that not be a fair assessment?

**Ms. Johnson:** Yes, we definitely have to retain the right to strike.

**Mr. Chairman:** Mr. Rose, do you have a question?

**Mr. Rose:** Mr. Chairman, I just wanted to thank Ms. Johnson for coming out today with your most informative presentation. As an old packing house person, I appreciate what you have said here. It is a very competitive business. Again, thank you.

**Mr. Chairman:** Thank you for your presentation, Ms. Johnson.

**Mr. Cowan:** Thank those who have waited as well and tell them when next committee will meet.

**Mr. Chairman:** I will do that just prior to rising for the afternoon. I would like to remind committee Members and members of the public, the Standing Committee on Industrial Relations will also be meeting if necessary on the following days: Monday, March 5 at 8 p.m. The time is now seven minutes after four.

**COMMITTEE ROSE AT:** 4:07 p.m.