



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

STANDING COMMITTEE

on

ECONOMIC DEVELOPMENT

42 Elizabeth II

Chairperson
Mr. Jack Reimer
Constituency of Niakwa



VOL. XLII No. 11 - 1 p.m., FRIDAY, JUNE 18, 1993

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON ECONOMIC DEVELOPMENT

Friday, June 18, 1993

TIME — 1 p.m.

LOCATION — Winnipeg, Manitoba

CHAIRPERSON — Mr. Jack Reimer (Niakwa)

ATTENDANCE - 11 — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Downey, Enns, Ernst, Manness
 Mr. Alcock, Ms. Cerilli, Ms. Friesen, Messrs.
 Helwer, Laurendeau, Plohman, Reimer

APPEARING:

Steve Ashton, MLA for Thompson
 Paul Edwards, MLA for St. James

WITNESSES:

Ron McLean, Canadian Federation of Labour
 Bill Featherstone, International Brotherhood of
 Electrical Workers Local 2034
 Lyle Stevenson, Private Citizen
 Robert Dooley, International Brotherhood of
 Electrical Workers Local 435
 Peter Olfert, President, Manitoba Government
 Employees' Union
 Jeff Brown, Private Citizen
 Deborah Jamerson, Private Citizen
 Patti Pugh, Private Citizen
 Gail Watson, Manitoba Association of School
 Trustees
 Ron Tummon, Private Citizen
 Ron Kristjansson, Private Citizen
 Mel Willis, Private Citizen
 Kelly Ivory, Private Citizen
 Ray Benoit, Private Citizen

MATTER UNDER DISCUSSION:

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

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Clerk of Committees (Ms. Bonnie Greschuk): I
 have before me the resignation of Mr. Jack Penner

as Chairperson of the Standing Committee on
 Economic Development. I will read it at this time:

I would like to resign as Chairperson for the
 Standing Committee on Economic Development,
 effective June 18, 1993.

The floor is now open for nominations.

Mr. Marcel Laurendeau (St. Norbert): I would
 like to nominate Mr. Jack Reimer.

Madam Clerk: Mr. Jack Reimer has been
 nominated. Are there any other nominations?
 Since there are no other nominations, will Mr.
 Reimer please take the chair.

Mr. Chairperson: Will the Committee on
 Economic Development please come to order.
 This committee will continue to proceed with public
 presentations of the following bill: Bill 22, The
 Public Sector Reduced Work Week and
 Compensation Management Amendment Act.

I have a lengthy list of persons wishing to appear
 before this committee. For the committee's benefit,
 copies of the presenters list have been distributed.
 Also for the public's benefit, a board outside this
 committee room has been set up with a list of
 presenters that have preregistered.

I will not read the list since members of the
 committee have the list in front of them. Should
 anyone present wish to appear before this
 committee, and who has not already preregistered,
 please advise the Chamber staff at the back of the
 room and your name will be added to the list.

At this time, I would like to ask if there is anyone
 in the audience who has a written text to
 accompany their presentation. If so, I would ask
 you to forward your copies to the staff person at this
 time. As moved by motion last night, this
 committee agreed to hear from out-of-town
 presenters first, wherever possible. At this time, I
 would ask all of those who are present and from out
 of town to please raise their hands and the Clerk
 will circle your name on the list. Nobody? Okay.

I would also like to remind all members and the
 public that as agreed to last night before we

adjourned, this committee will sit from 1 p.m. to 5 p.m. today. We will now continue with public presentations to Bill 22.

Will Mr. Ron McLean of the Canadian Federation of Labour please come forward.

You may proceed, Mr. McLean.

Mr. Ron McLean (Canadian Federation of Labour): Good afternoon, members of the committee. Thank you for the opportunity to make a presentation to the committee.

I was a little alarmed last night that there might be some déjà vu, because I sat while you debated on Bill 70 whether to continue all night long at the table at the side, and it looked that way last night.

However, I appreciate your concern for the other townspeople, because we represent an awful lot of people who live in areas other than the city of Winnipeg. I appreciate the fact that you gave them consideration and certainly I also appreciate the fact that you cut it at the point you did.

I would like to start off by saying that the Canadian Federation of Labour is, as any labour group, very much opposed to any interference with the normal collective bargaining process. I would like to set some of that opposition in a little bit of a context by just running you through a bit of an introduction to our organization.

The Manitoba Council of the Canadian Federation of Labour is made up of somewhere between 10,000 and 13,000 members. Certainly a couple of years ago when Mr. Smith, who is in the audience, was our president we were in the 13,000 range. The cutbacks in the economy have certainly left us a lot fewer members already than we had in the past.

Our affiliated unions represent members in the private sector. We represent members in the public sector. Our members are included in a number of fields, not to exclude construction, manufacturing, mining, health care, government services at every level, railway, industrial maintenance, national security, telephone and the power utility.

We have members in the municipal, educational, health care areas that are affected by Bill 22, and we have members at Crown corporations that are affected by Bill 22.

Our organization has been in existence for 11 years since we broke away from the Canadian

Federation of Labour and the MFL. The secession from the CLC was for various reasons, internal reasons, not philosophical reasons, some difficulties with rating, difficulties with delegate representation and the failure of the CLC to enforce some rulings of an impartial umpire.

Since we were founded in 1982, we have established ourselves as a very legitimate voice of labour in every province of Canada and very much so on the national scene.

The success from our relatively small numbers comes in a large part from our nonpartisan stance. Our organization has a clearly stated position of attempting to work with the government of the day in a proactive fashion rather than with a confrontational approach.

Without influences such as Bill 22 and so on, certainly those things are easy to defend. With something like Bill 22 it becomes a little more difficult, and the will diminishes quickly.

We hope to mutually achieve as a team what neither party could achieve on their own. Certainly, that I think is a goal of a lot of people in the workplace. That is a thrust that the government is certainly heading towards these days.

Our affiliated local unions take a great pride in their local union autonomy. Each local union has the right to make its own decisions with regard to its own policy, its own policy directions. We base that on our membership needs, our membership demand.

CF of L policies and the policies of our parent organizations are set by conventions with representatives from affiliates. Local union policies, as long as they fit the general rules of the parent organizations, and those are fairly general rules in most of our internationals and certainly in the CF of L, the local union policies are set by a one-vote-per-member arrangement with our individual local unions based on those members in our represented areas in the workplaces.

As an example, besides my CF of L obligations, I am business manager and CEO of the IBEW local at Manitoba Hydro. We have 2,500 members, and I have a bit of a shortage of job security. I get three years at a time, and if I do not please people, I find myself looking for a job or finding my toolbox.

An Honourable Member: Us too.

Mr. McLean: I certainly appreciate that you people are in the same position, and I appreciate that not everyone is necessarily in this position in various organizations.

I took you through all of that because it has to be understood, despite what you may have heard recently, our members do exist. They are represented and we do have a voice. We are willing to work towards making Manitoba a better place to live.

Our members have been around for a long time. We have pioneered a lot of creative innovations in workplaces. We have worked proudly with an awful lot of employers through lots of bad times. We have been around and worked with employers through two world wars, the Great Depression. As an example, local 435 of the IBEW was chartered in 1904, 15 years before the Winnipeg General Strike.

* (1310)

Throughout history, we have solved our problems where they belong, with our employers in the two-party process back in the workplace where they belong, working back and forth with our employers. Not everyone has been happy with each piece of results, but it has been done where it should have been done. We have used conciliation, mediation and arbitration as a supplement to the two-party process, but only very judiciously, because as I said earlier, we have a great pride in the autonomy of our local unions. Outside involvement, even if it is a neutral third party, is viewed as interference. Certainly, our members view any outsider in internal matters with their union, their employer and their workplace —any third party is viewed with suspicion.

Once you look at that history, it is no wonder that our members are outraged by a third party interfering with a strong healthy relationship with our employers. Our wounds have not healed from Bill 70 in 1991, and Bill 22 is just like pouring a big dose of salt into those wounds. Several of our affiliates including the one I represent, filed for final offer selection in 1991 with some pretty great reservations. Some of us won those final offer selections, not necessarily because the selector favoured our position, but because the selector did not favour the zero position we were facing.

The government could just as easily have achieved what they wanted in 1991 by allowing

settlements or allowing Crown corporations and other Crown employers to make final offers based on their organization's ability to pay, profitability, viability, rather than an across-the-board dictated zero. Certainly, settlements would have been driven to a much lower level than the fives and fours that were given in final offer selections.

To follow that dictated zero that we are facing across the table with the legislated zero was a supreme insult to those unions, and large numbers of them in our organization, who were quite legitimately sitting with their employers attempting to negotiate agreements. Certainly at that point in time, there were different opinions about what some unions were and were not doing, but I think if you go through the list of the CF of L affiliates in 1991, all of us were sitting and attempting to negotiate with our employers, not sitting waiting for someone else to come along, not waiting for any sort of outside interference or outside assistance.

I am going to take you through a little bit of history in my own local union just because I am a little more familiar with it, not necessarily because it is unique to the IBEW. It fits most of our local unions within the CF of L. It should show the unfairness. It should show the brutality of the unilateral interference with a good working relationship and with a duly negotiated and signed contract.

I am going to sort of bounce through it quickly. I will highlight it. IBEW 2034 has represented the members of the Manitoba Power Commission and, subsequently, Manitoba Hydro for 35 years this year. We represent employees of the town of Gillam and the town of Snow Lake. We have had one work stoppage in our entire 35-year history, and that was a short strike with the town of Gillam in the early 1980s. We are sitting with approximately 2,400 members at Manitoba Hydro where our track record is second to none in the province for representing members well, representing members fairly.

The relationship has occasionally been characterized as a friendship. I think that is a fair characterization, because one of the basic fundamentals and tenets of a friendship is respect, respect for each other, respect for each other's positions. One of the other tenets is not taking advantage of the other, and another is not allowing the other to take unfair advantage of you.

I think if you look at the track record most of the CF of L affiliates and our local union has had, that is the sort of thing that is happening. Part of the respect that we have shown for each other has included lots of contracts that were unique to the public sector in Manitoba. In the years of Manitoba Hydro's financial difficulties, drought years, we recognized this in our negotiations with different and smaller settlements. The respect has shown itself in reducing our input rates.

We have reduced regularly over the last three or four years—more than that, a lot more than that, the last three or four contracts—our input rates because of some of the difficulties in the community with the escalating start rates for new employees. We have provided summer student rates; we have redistributed benefit money; we have provided the chance for hiring of term employees; we have provided job sharing; we have provided provisions for northern and native pre-employment training; we have provided provisions for preferential hiring of local natives and our aboriginal residents in a variety of conditions in local Manitoba that have not been negotiated in other contracts in this province. It has been done in order to keep Manitoba Hydro competitive in the labour market and by looking at the reality of the situations.

Another part of the respect that has come along and manifested itself is our pride in keeping the lights on and/or, especially in times of trouble, putting them back on. Our members risk life and limb regularly to put the lights back on in this province, yet our safety record and our service record is unequalled in any but a small number of power utilities in the whole North American continent.

The latest manifestation of the respect we have for the management we deal with was our signing of a letter of understanding under Bill 22. Our members withheld their anger, they bit the bullet, they acknowledged that reacting to Hydro's management would be like shooting the messenger. The last thing to expect, and certainly some of the interchange last night, I indicated that to assume we are happy, to assume the nurses are happy would be a false assumption.

Our members are not happy and it is certainly eventually going to reflect itself in the service attitude. It is going to reflect itself in a lot of areas within what is a good relationship. Along with the letter of understanding we have with another

bargaining unit, Manitoba Hydro approached the Minister of Labour (Mr. Praznik) with a request for some conditions and provision of pension provisions during the term of Bill 22 that would be unique—again, co-operation, jointly working with the employer.

The members of Local 2034 have accepted the fact that job security at Manitoba Hydro is not what it is in the public sector illusion that a lot of people have. Hydro is undergoing a rightsizing and probably some members in the room will have a better idea than I do. All I know is what has been running in the rumour mill, but certainly it is going to hit people hard.

This is not a unique situation. Despite what has happened elsewhere, we have never had a no-layoff contract and I defy anyone to check the record to find out if we ever proposed it. We have never proposed it. We accept that size fluctuations are a fact of life. We accept that the workforce has to be adjusted to meet the requirements.

Within the last 15 years, my own local union has seen a high of 3,500 members followed very shortly thereafter by a low of 1,700 members. If that is job security in the public sector, tell it to the 1,700 people who are now no longer employed there. Certainly, we have climbed back up in the last few years but certainly we have fluctuated with the times. Layoffs, shutdowns, periods of unemployment are not new to our members. We see between a third and a half of our members laid off every Christmas. These layoffs last for a minimum of two weeks and have lasted two and three months. We see layoffs when spring breakup prevents construction schedules in isolated locations. We see all sorts of layoffs for people to accommodate the workforce.

The people facing the short layoff at Christmas can forgo summer vacation to maintain pay over the layoff, but those facing two- and three-month layoffs obviously do not have that kind of vacation. They face UI. Until this year, no one else in the public sector faced that sort of Christmas gift. We get what we would have had for a normal Christmas layoff as well as the effect of Bill 22.

All of this has been done to keep our employer competitive in the labour market, the energy market. It has been a contributing factor to the current fact that Manitoba Hydro has among the lowest power utility rates in the whole country. The

staff are subsidizing Manitoba Hydro's operation and subsidizing the consumer in a very large way. Certainly, we are proud to do that. We are happy to work with the employer to resolve all of those situations.

We are dealing with a workplace that covers the entire province. It exists in the worst weather conditions possible in Manitoba, and it survives because of the pride all of us have in the organization, in our union, and in our co-workers. Bill 22 is providing a major threat to that relationship.

The wages paid for IBEW members at Manitoba Hydro, and for most of the members of the CF of L who are in the public sector, are paid for delivering a service. Our members produce and deliver electrical energy at Manitoba Hydro. The invoice that each of us receive in the mail—and I do not get a staff discount, as the people at Eaton's do or The Bay or wherever, nor do any of our members—are paid for based on the usage, based on the market, and certainly based on the rulings of the Public Utilities Board.

* (1320)

The wage levels paid to our members are certainly subject to all of those things. It is a fragile balance in any workplace between the viability of the company, the profit/loss balance sheet which our employer certainly operates from, and the workload, the need, that sort of thing. Our members proudly do their share in a well-managed exemplary workforce. They can accept helping their employer through the hard times.

With all of this giving at the office that they are already doing, something like Bill 22—that is a broad brush that is being applied to everyone in the public sector—is something that is pretty hard to take. Certainly, we have an awful lot of difficulty having been reasonable with our employer, having worked very hard to come up with situations that benefit both of us equally and mutually, and then to be swept in twice in two years to something that is painted to target everyone and paint everyone the same colour of black, certainly we do not feel we are, nor do we feel necessarily that some of the unions that are being painted—even the major players have a lot of people who are hard-working employees. They are not necessarily the demons that they are made out to be.

I use my own example of IBEW Local 2034, not because it is unique in the CF of L, but because I know it best. I spent 24 years as an employee of Manitoba Hydro before I came into the union office full time. Should I lose an election, I may be looking for my toolbox to go back to that location before I am able to retire.

I heard the Minister of Finance (Mr. Manness) talking about member pensions on the Brandon radio station as I was servicing a unit meeting in that area. It will take those few of my members who get a \$1,600-a-month pension a lot longer than 16 years to get it; it will be 35 and 36 years to get that sort of pension, climbing poles in the middle of the night.

This government and the last several governments in this province regardless of their stripe have not done much that will warrant them a place in history books. You look at rural electrification, it is a monument to one of the pictures hanging on the walls in this room. You look at the Winnipeg Floodway, it is a monument to one of the pictures hanging on the wall in this room and the government that worked with him.

Being second only to the Sacred Government of B.C.—and I shudder to think that you people would try and catch up to them, but you are drawing a close second—will not draw much attention in history books a generation from now.

I urge the government of this province to work with the CF of L, to work with our member unions and to work with all of organized labour to create some employment opportunities in the province of Manitoba.

We have heard a lot of rhetoric about our children's lives being mortgaged by previous governments and that sort of thing, but with the ever-collapsing circle of strangling the economy to reduce the deficit, to reduce the income which in turn has negative effects on the economy, strangling the economy will never pay off the deficit.

However, and as I said and I pointed out that I was in Brandon recently, I travel the province of Manitoba. I ask how many members in this committee have driven from Thompson to Gillam as many times as I have. There is not much road in this province of Manitoba that I cannot tell you where every pothole is, and there are a hell of a lot more than there were a few years ago.

There is an infrastructure that is collapsing around our ears. Why do we not put some Manitobans to work who could pay some taxes to get us out of the deficit to repair this infrastructure?

I do not want to leave my children—and they are at the age they are entering the workforce—mortgaged to their ears, but I do not want to leave them without an infrastructure either. I want to leave them with what I inherited from my parents, a province that we can be proud of, a province that was a leader in quality of infrastructure, quality of roads, quality of services second to none in this country, and we are no longer in that position.

This country, this province, was not built on legislation like Bill 22. I urge you to throw it in the recycle bin and let us get on as a co-operative effort with improving Manitoba, not by doubling and tripling the taxes on hard-working people by reducing their income when they are already paying extremely high taxes, not by giving them time off that certainly they cannot afford to take. Thank you.

Mr. Chairperson: I thank the member for his presentation. We have time for one short question from the minister.

Hon. Clayton Manness (Minister of Finance): I will not ask a question. I would just like to thank Mr. McLean. I always enjoy his presentations. Another time I will have to take issue with a few of the things he says.

Mr. Chairperson: Thank you very much, Mr. McLean.

One quick question from Ms. Friesen.

Ms. Jean Friesen (Wolseley): Thank you for the presentation. On page 7, you make a very strong statement, and I wondered if you could elaborate on it for a minute and give us a sense of how representative this is of your members.

"They have already 'given at the office' and should not be taxed a second time". Is that the common assumption of your members, that this is a form of taxation directed at where they work?

Mr. McLean: Certainly we feel that it is a form of tax. If we were a private utility for instance, as our competitor in the energy market is, they are not facing the same reduction in their salaries as we are. Certainly we face competition from the gas utility for heating energy in this province and

certainly the employees in that competitor are not facing that approach.

Within the CF of L, I am certain the business manager from the IBEW local at the telephone system will talk about the competition they are facing and how their competitors are not facing that reduction for their employees.

Mr. Chairperson: Thank you very much for your comments, Mr. McLean.

I would like to call on Mr. Bill Featherstone, International Brotherhood of Electrical Workers Local 2034. His presentation has been circulated. You may begin, Mr. Featherstone.

Mr. Bill Featherstone (International Brotherhood of Electrical Workers Local 2034): Mr. Chairperson, I will be reading my presentation into the record. I would just like to preface it with a few comments before I go to my text, just some comments and observations, if you will indulge me that just for a few minutes, of what has gone on this past week or week and a half.

My presentation, if you have taken the chance to read it beforehand, you will probably realize that it is rather nonpartisan and it basically is probably an indictment against everybody that sits at this table.

A number of things that have happened in the last couple of weeks, I think, is probably worth looking at. It does have a lot to do with Bill 22. It has a lot to do with Bill 70. It has a lot to do with a lot of things that have happened with this government.

The first I will bring, and not the most important, but certainly one of the things that has happened, of course, is the Tory convention in Ottawa. There was considerable rhetoric, I suppose, if you will, from that convention, before it and after it, about the inclusion, about listening to the electorate and those types of things. The post-mortem viewpoint from the Canadian electorate in news after that is rather dismal, I think, if we look at all of those things.

We are certainly hearing it amongst our membership, the same thing: What is the use? What does it matter? Why should I even bother? This is whether I vote, whether I participate in these hearings, whether you people even show up for these hearings or whatever goes on. I think that is a very poor indictment of everybody at this table, perhaps myself included and perhaps all of us that have been involved to some degree or another.

I think the election results from Alberta that just happened is something that needs to be looked at in this context, too. I do not think any side of the table should take any great comfort in what happened there. There was an annihilation of the NDP there because of policy initiatives and things around the country, obviously. I do not think this side of the table, the Tory side of this table, should take any great pleasure in what happened there either, because there was a definite electoral split between the south and the north, between the two individuals involved there, Ralph Klein and Laurence Decore, their first time into provincial politics, and they split the Tory party right in half there with their own things. There is nothing of any substance in that.

Those are basically just my comments to kind of get some thought process into what is happening here. At this point, maybe I will just start to read my presentation.

* (1330)

It does appear that we are back here again on the issue of collective bargaining interference, the summer of 1991 with Bill 70 and now the summer of 1993 with Bill 22. I am here representing the concern, the disappointment, the disillusionment and the outright rage of some 2,400 International Brotherhood of Electrical Workers Local Union 2034 that work for Manitoba Hydro. You have heard some considerable comment just prior to my coming here about some of those issues.

This local has worked extremely hard over the last 35 years to make Manitoba Hydro a good and revered place of employment. At times it has been tense and difficult, but for the most part, it has been indeed a credit to both labour and management throughout the corporation to the unbroken work record achieved these last 35 years.

Members of the committee, the members of Local 2034 would like you to take note of the following very carefully. It is quite obvious that few, if any, elected officials employed in this building have been listening to the electorate over the last couple of years. We would make particular note of the 1992 constitutional referendum vote. That vote spoke volumes about public attitude towards politicians and almost nothing about what the vote was about in the first place.

But, being true to form, as the debate was raging on, most of you put your partisan differences aside

and pressed together so that there would be no daylight showing, attempted to push a half-cooked deal through so you could get on with your head-bashing process. Some of you have had the gall to accuse and blame the feds or any other party of unlike mind of fault in this fiasco when the referendum failed. One or two of you did attempt to stand on your personal conviction during the referendum debates, only to be beaten down by the rest of your colleagues across the country.

What are the alternatives here? The other two opposition parties could, I suppose, assure the members of Local 2034 that our best interests in view of the economic picture would be served. Yes, I am sure. If you people are so intent on pressing the flesh, then please do it for something of real value. Get involved in some real political reform. In the very likelihood that Mr. Filmon and company may get a thrashing come the next election, will a replacement perform any better or will we just hear more blame shifting?

It is important to consider the deficit we are facing and for the government of the day to put together a budget that would address that. It is equally important to not download your physical difficulties on the backs of your public sector infrastructure. If these areas become too eroded, everything begins to collapse. Replacement costs in the future become astronomical and you talk about mortgaging your children's future.

This local of IBEW members and families are not unlike any other typical family in Canada today. We are very concerned about the apparent double standard that politicians of all stripes seem to push into our face. In one breath, you will say you have inherited these physical difficulties from the previous administration and not of your own doing. You all do that, while many of you previously sat in the same Chamber and refused to put aside your partisan differences on difficult economic issues for the common public good. Then with the next breath, you accuse public sector unions of being irresponsible and not negotiating in good faith, when they are reluctant to relieve you of your collective physical incompetence.

On top of all this, you begin interfering with the public sector negotiating process by introduction of designated legislation. Someone here has to start taking responsibility. You cannot keep pointing fingers at one another. It should be apparent by now that we are not touting any particular political

persuasion and we feel as, I would dare say, most Canadians are saying—it is time for all of you to take a serious look at what the Canadian electorate is saying and I do mean all of you, your federal counterparts also. I understand some of you are deciding to go into federal politics. You better consider that.

Criticism of issues and differing points of view are very important so that all sides of an issue or policy decision may be examined. Political criticism by itself has to be the most shallow examination of any differing viewpoint that could ever be made, and yet that is what we hear almost all the time. I have very rarely seen any of you take a strong stand on something of substance because of your own conviction on the issue. Usually that person gets thrown out of caucus when they take such a stand.

Most Canadians, indeed most Manitobans, would agree with me that many of you, though not all of you, need to seek out a deeper conviction, integrity and honesty of what is really required to move this province and ultimately this country into the next century with dignity, sovereignty and prosperity. All Canadians, but particularly those of us closely involved in labour and business, are well aware of the changing complexion of labour, and indeed the way business and labour together must conduct themselves now and on into the next century.

Human resource management is becoming increasingly more complex with a much more educated and more diverse workplace and workforce than humankind has ever seen. Collective bargaining and principled negotiation, as opposed to perhaps positional negotiation, is still and always will be the most democratic and, although some of you might disagree, the most efficient process of achieving the goals ahead for both partners, business and labour, in the future.

I would go so far as to say that in my research into the above-mentioned challenges, much of Canadian business is meeting, or at least attempting to meet these objectives, and such radical departure from their previous ways of doing business in today's so-called global market. Their biggest problem has been in the way government of the day has handled these challenges, both federal and provincial, regardless must I say of stripe. You just have to take a quick walk across this country and see what is happening, and the

same thing is happening in every province regardless of who is there.

Well, some may ask, what has all this to do with Bill 22 and the attack on public sector workers in Manitoba? Well, it has everything to do with it. Some private sector business and Crown agencies with their dubious limited autonomy have attempted to be accommodating in the new challenges and economic problems of today together with their labour forces. Public services, because of their almost direct relationship with respect of departments in government, have had less ability to negotiate in a principled manner. But all, or should I say public sector, have been swept with the same brush, with little regard for individual collective agreements, relationships between labour and management or corporate structure.

Members of committee, the unwillingness to change or to try on a new way of doing business has regrettably been amongst yourselves. It has not been with labour. But then you obviously did not know any better. You have all, with good intention I am sure, carried on in the same manner as your predecessor would have done.

John Maynard Keynes may have been slightly ahead of his time with his radical approach to government, business and economics when he first proposed it. He was the consummate capitalist. Most of post-World War II economy was of the type Keynes aspired to. One of growth, development of resources, and supply of goods and services to enrich people's standard of living and to allow the country to prosper in harmony with social dictates of the state. That is probably not too different from what any of you would have liked to achieve, but you have not done it.

I will concede that both labour and management have had difficulty with the second and most important part of Keynesian theory, that of restraint when the economy was on the rebound in order to pay down those deficits. We have not done that. The result of this was obvious. The recession of 1980-81 and the deeper subsequent slide after the stock market crisis in October, 1987 are clear indications of an economy on the rails and corporate interests seemingly taking precedence over the social objectives of society.

Unless we change the way we do business, and that is everybody, this pattern will only continue and get much worse. The economy will not right itself.

There must be some proactive action taken, and that means real change in the way we have been doing business in the past. In the last couple of years we have not seen any change in the way this government has done business or even is attempting to do business.

What we do have in this country and have had for the last several decades is an economy more aptly called "corporatism," a trickle-down economy that depends solely on the wealthy entrepreneurs' good will and honesty to allow appropriate and fair acquired wealth to flow into the economy of the nation through a system of taxation and wages.

While there is little or no regulation to ensure this, there are some collective agreements—we are here discussing these attacks at it now—and taxation, which we have heard lots of over Bill 70 and Bill 22, of your taxation policies, and indeed the taxation policies that seem to be in vogue across this country, they just do not work.

* (1340)

It also develops this trickle-down economy and encourages the formation of individual power brokers that further depend on the political to enhance their own interests, that of holding onto and acquiring greater wealth or using it to destroy competition. The Free Trade Agreement and the North American Free Trade Agreement have only served to perpetuate this problem.

There has not been a political administration in the last decade or two that has even remotely shown a willingness to address these issues.

The social objectives of the state should never be undermined by the objectives of the individual and the corporate wealthy by off-loading onto the middle and lower class.

A return to a Keynesian or a similar economic form practised in today's economy would probably be in order to assist in levelling out the economic peaks and valleys of what we have been experiencing over the last decade or two.

Members of the committee, IBEW 2034 and all our brothers and sisters across this land are ready and willing to take on the challenge of new visions for business and labour, but if the likes of Bill 70 and now Bill 22 is all you have to offer to a working partnership, then you can take this as notice, we may very well be serving you divorce papers shortly.

Mr. Chairperson: Thank you very much, Mr. Featherstone, with approximately five minutes left.

Mr. Manness: Mr. Featherstone, thank you very much. I will not dwell on your economic or your reference to John Maynard Keynes. No doubt there are a lot of different views on how it is we might come out of the situation that we are in a little bit more quickly, but I would like to take a little bit of issue with I guess the way you see the world of politics and the world of those of us who have made a commitment to a profession. I have an admission to make or a confession, I never trained to be the Minister of Finance. I was never trained to be a minister.

Mr. Featherstone: It is not a surprise.

Mr. Manness: Very few people are. As a matter of fact, I talked to Floyd Laughren and he was not trained to be the minister of Finance in Ontario either. As a matter of fact, I talked to every minister of Finance in the country, and they said none of them were ever trained to be in that job. I guess it says something then, that either we are going to have to change the democratic system or thank God there is democracy which says that everyone of us around this table can be replaced very, very quickly. I dare say by somebody like yourself, Mr. Featherstone.

You can probably join one of the political parties or start your own and put your name on the ballot and make decisions which are a lot more in keeping with I guess the good old days or some of the other practices or processes of the past.

I guess, when it comes down to Bill 22 and the reality that when I look around and there are other provinces bringing down bills that really encompass Bill 70 and 22—and we are going to call the Ontario bill, Bill 92, by the way, because it goes beyond both our 70 and 22. Notwithstanding the relationship that your particular union has and your group has with Manitoba Hydro, which I know is a good working relationship and which I would hope to see continue, that there will not be a divorce, I guess, my simple question to you, what other way do you see that government can deal with a deficit structurally which was \$700 million this year brought down to just half, still a significant deficit for the people of our province? Which other way would you prefer to see us go?

Mr. Featherstone: I am not really sure what your question is because there seem to be a lot of other

things you wanted to say before you asked the question, but no, I am not really interested in getting into politics, if that was one of the questions. I do not know.

How would you deal with this situation? Well, one of the things that I think I have said all the way through here, which I guess your question mainly seems to tell me that what I presented to you was right, that you are not listening, because I think, if you were listening—not you particularly, Mr. Minister. I am not particularly picking on you because I made it clear, I hope, at the onset, that this whole table should probably look at it, and maybe beyond this table.

I do not have the answers for what we should be doing politically or what political parties should be doing, but I think it is very clear that if you do not start listening to the Canadian electorate and indeed the Manitoba electorate and, if you do not go back and have another look at the results of what happened during the constitutional referendum and over the last couple of years, of all of that, and start to really have a look at all that in all of your departments, then you are really missing the golden opportunity to really have good political reform and change in this country.

There are a number of initiatives that have gone out towards this, and this perhaps is not the best forum for it, but it was the only place to really bring it out. I have been involved in the Bill 70 hearings. We went through all of that stuff. We heard more and more of it coming down the pipe. Last night was another fiasco, if you will, of each of you taking snipes at one another, walking up and down the table here and snipes across at one another. Really, we are all getting very tired of that. It is good theatrics. It is too bad the TV was not here last night to pick up some of that, but it really does not do anything to the real problems.

We had a lot of serious people speaking here last night, and today there are more coming. Just to have political rhetoric back and forth across the table is not going to solve the problem. It is not going to solve your problems financially for this administration, and it will not solve the next one, whoever makes that up.

All of us have to start looking at what is happening in politics today, and some of us may aspire to be there, but some of us will be putting you there or getting you out one way or the other. I

do not know if that is answering your question or not, but I do not have another answer for it at this point.

Mr. John Plohman (Dauphin): Mr. Featherstone, you quoted on your page 6 that there has not been a political administration in the last decade or two that has even remotely shown the willingness to address these issues and the ones that you had dealt with in the previous paragraph.

I just want to ask you the question, did you not feel that the Jobs Fund, an attempt to develop a partnership to invest in Manitoba with the private sector; the opposition to deregulation and free trade; the excellent labour relations we enjoyed in Manitoba; initiatives such as FOS; the attempt to make our tax system more progressive by high-income surtax and corporate tax increases to attempt to ensure that they pay their share—is that not at least a remote attempt to deal with some of the issues that you were addressing in that paragraph?

Mr. Featherstone: Okay, I will take the word "remote" out.

Mr. Plohman: Thank you.

Mr. Chairperson: I thank you very much for your presentation, Mr. Featherstone.

I would like to now call on Mr. Darryl Buhr, Private Citizen.

I will then call on Mr. Lyle Stevenson. His presentation will be passed around. You may proceed, Mr. Stevenson.

* (1350)

Mr. Lyle Stevenson (Private Citizen): Good afternoon, Mr. Chairperson and members of the committee. My name is Lyle Stevenson. I am a 20-year employee of Manitoba Hydro, a lineman by trade and a member of the International Brotherhood of Electrical Workers Local 2034. I would like to thank the committee in advance for their attention, as I have some very strong feelings on this legislation and the economic policies of the present government of Manitoba.

My concerns and suggestions to this government centre around the following points:

The effect of Bill 22 in creating political interference in the collective bargaining process that in the past has, for the most part, worked well for both labour and management in the public sector.

The preoccupation of the present government with a fiscal policy of deficit reduction to the detriment of social programs in Manitoba.

The overall unfairness of the proposed Bill 22 in targeting only public sector employees.

The long-term effects that this legislation will have on service to Manitobans, on the productivity and morale of the public sector employees and on the general labour climate in the public sector in Manitoba.

My first concern with Bill 22 is the restrictions this legislation places on the collective bargaining process in Manitoba. As employees of a Crown corporation of Manitoba who have collectively in good faith struck a binding agreement between themselves and Manitoba Hydro, it is very frustrating and disheartening to have that agreement bastardized arbitrarily by the elected representatives of the people.

I would like to remind the elected representatives here that, if Bill 22 is proclaimed, public sector and Crown corporation employees in Manitoba will have twice in the past two years been subjected to legislation that withdrew their right to collectively bargain. I would also remind the present government that the United Nations, through the International Labour Organization, determined that this government acted unfairly in enacting Bill 70 two years ago, and that the proposed Bill 22 is even more damaging to the rights of public sector employees. I ask you, our elected representatives, how you can seriously contemplate this type of legislation that has been in the past condemned by the United Nations?

My union, the IBEW Local 2034, in negotiating collective agreements with Manitoba Hydro, has in the past settled for considerably less than the going rate for public sector unions because of the economic conditions of Manitoba Hydro. We are now being told that because of the economic conditions caused by shortsighted government monetary policies, we will again be forced not only to take less but to give some back.

My second concern with this bill is the justification of its being required to meet the current fiscal policy of deficit reduction. Let me preface this argument by stating that I am as concerned by the magnitude of the deficits in this country as you are. It would be foolish for anyone to expect governments could continue to spend considerably

more than they earn with no thought to the future. However, as equally as foolish is for governments to abandon the economic theories of Keynes, and the concept of countercyclical spending, particularly when we are in a prolonged recession. I believe the reason we are burdened by a high provincial deficit is not because of public sector labour unions' excessive demands, as this legislation suggests, but because provincial governments have been traditionally too shortsighted to follow the theories of countercyclical spending.

If the governments in power during periods of economic growth had used their tax dollars wisely to pay down the deficit at the time, instead of spending on shortsighted programs that may or may not have got them re-elected, we would not be in the predicament we are in today. It appears to me that this provincial government and its strategy of reducing the deficit and damn the torpedoes is advocating its responsibility to act as a regulator or a stimulator of the provincial economy. To abandon this vital duty and responsibility of government to business, as is advocated by the current economic theories in vogue, is foolhardy.

Business and corporations who are to be the regulators of the economy and trickle-down economics, Reaganomics, open-market economy, or whatever this economic theory is called this month, are inherently opposed to bettering the lifestyle of the working class who make up the majority of people in our society. What this province requires to get our economy out of the doldrums it is in right now is a fiscally responsible budget that stimulates growth, linked with a morally responsible safety-net program that addresses the needs of Manitobans.

I would submit to you that Bill 22 is only window dressing, to prove to the international financial community this government has the guts to do something to control the deficit. Once the extra administration costs, overtime costs, loss of production, loss of income tax revenue, and a whole host of other things are factored in, I suggest this bill will result in minimal savings to the government.

My third area of concern in this proposed legislation is that it specifically targets public sector and Crown corporation employees. As the public sector in Manitoba has historically been the leaders in the labour movement, it appears that this

government by this legislation may be attempting to target organized labour in general.

Let us talk specifics here. Assume I make \$40,000 a year. The bottom line is with Bill 22, what you are attempting to do here is reach into my pocket and take out \$1,520. You cannot reasonably expect me to stand here and stand still and let you do this to me. To add further insult to injury, you then, by the provincial government, take a further \$75 away from me through the property tax credit program. How can it be said that it is fair that a non-public-sector Manitoban, making \$60,000 to \$80,000 has a tax increase of \$75, while the public sector worker making \$40,000 is, in effect, paying \$1,595 more?

If the government wishes to reduce the deficit in a fair and equitable manner, I would suggest a modest increase in personal income taxes would have done this with minimal disruption to the standard of living of all Manitobans. Of course, this is impossible, because the provincial government has publicly boasted it has honoured its campaign promise not to increase personal income tax. I agree you have not increased my income tax, but you go and tell that to my banker.

Let us look specifically at my union. Of the 2,300 or 2,400 members employed by Manitoba Hydro, approximately one-third or more of them are subject to layoffs every year, ranging from a few days to several months due to seasonal workload. Bill 22 is going to hit these people with a double whammy. Now in addition to these seasonal layoffs they are subjected to, up to 10 more days will be taken off; next year maybe 15. Is this fair?

The last area of concern I would like you to examine is the long-term effects this bill will have on the labour relations climate in Manitoba. I find it ironic that in the changing economic conditions with the globalization of economies, governments of the day are calling for a new era in co-operation between labour, business and government, on one hand; while on the other hand, they are using unilateral action to smash the rights of workers to collectively bargain.

I would like to ask the committee what is the position of the government of Manitoba in this regard. Are labour groups to believe that this government is genuinely concerned about fostering good relations between unions and their employers? Or is this only rhetoric and lip service

to the concept of the two groups working together in the spirit of co-operation to get the economy of this province and country in shape to compete in this new global economy?

I am proud to say that my union has had a leadership role in co-operating with an employer. We have done some very innovative things with Manitoba Hydro over the past number of years. An example of this is the public electrical safety program we have jointly carried out with Manitoba Hydro. One of my concerns is that programs of this nature are being placed in serious jeopardy when our members are subjected to regressive legislation such as being contemplated here. Years of negotiation, hard work, co-operation and trust are being placed on the line with this bill.

Personally, in the 20 years I have worked for Manitoba Hydro, I have taken great pride in helping provide Manitobans with electrical service. As a front line worker in ice storms, tornadoes, forest fires and numerous other emergencies, I have always done my utmost to provide the best service possible. If this legislation is passed, I do not know that I will still have the dedication that I previously had. I caution you, do not take this point lightly.

Many others, particularly long-time Hydro employees all over the province, have expressed exactly the same sentiment to me. It should be noted at this point, too, many of these members are upstanding rural people who are long-time members of rural communities. They feel betrayed by this government and are concerned that their commitment and pride in their job is no longer there.

While the membership in my union has accepted a negotiated settlement between Manitoba Hydro and themselves in regard to Bill 22, this does not mean the membership or I accept the wage reduction scheme outlined in the bill. The settlement was accepted because the membership are pragmatic and realize that this government is probably not going to heed the voices of reason in this matter. Therefore, the prudent course of action was to try to mitigate the damage caused by this legislation.

* (1400)

The flexible days off arrangement negotiated imparts the least impact on their personal lives and the least impact on electrical service to Manitobans. The exceptions and modifications to

the legal contract between Manitoba Hydro and IBEW Local 2034 in no way can be construed as an agreement or acceptance of this destructive legislation being enacted by the government.

I am also very distressed about the continuing escalation of the trend of the provincial government to politicize Crown corporations. Well, certainly Manitoba Hydro should be answerable to the government and the people of Manitoba. Political interference, such as Bill 70 and Bill 22 and other thrusts, do not allow these corporations to be operated at an arm's length from the government.

The continuing actions of the government has limited the ability of Manitoba Hydro to meet its mandate of providing cheap, reliable electrical service to Manitobans. Members of this committee, I ask you, seriously consider the points I have put forward. I am confident that I speak for the vast majority of our members who wish to work co-operatively with our employer and the government of Manitoba to make our province a great place to live.

I am speaking globally now for everyone in this room. We have the people, the resources and the will in Manitoba to make this happen, but we have to sit down together and co-operatively find the solution. Bill 22 is not a solution to this problem. Bill 22 only makes this problem worse. Thank you for your attention.

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

Mr. Plohman: I wanted to ask a question, Mr. Chairperson, of Mr. Stevenson. He talked about not taking the point too lightly about how employees will respond to this kind of heavy-handed approach by government. Do you feel that the issue of morale and productivity is at stake here? Is it a serious issue as a result of what is happening? Can you describe that a little bit in terms of your experience at Hydro?

Mr. Stevenson: Yes, I feel it is a very, very serious issue. It concerns me personally with my own personal feelings, and it concerns me that a large number of, like I said, long-term employees feel very strongly of this. One of the reasons many of them are not here, and Mr. Featherstone alluded to that in his speech, is that they are disgusted. They have thrown up their hands, and they have said, I give up. That scares me. That really scares me.

Mr. Plohman: Would you say that it is a feeling of betrayal and of nonworth or appreciation by the government for their work?

Mr. Stevenson: Yes, that is exactly right. That is what I am saying.

Ms. Friesen: You made a comment on page 7 about the ability of Manitoba Hydro to meet its mandate of providing cheap, reliable electric service to Manitobans. I wonder if you could elaborate on that of the impact of this government's action on the economic position of the utility.

Mr. Stevenson: Well, my personal belief is that Manitoba Hydro is quite able, on their own, to negotiate settlements with my labour union. They do not need the assistance of this government.

As I said before, and some of the speakers before have said, we have taken settlements based on Manitoba Hydro's ability to pay. Now we are being penalized when the shoe is on the other foot.

Ms. Friesen: Do you have an estimate of how many days of lost productivity there is going to be for Manitoba Hydro through the actions of this government?

Mr. Stevenson: Well, just in our jurisdiction, 2,400 times 10.

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

Now, I would like to call on Mr. Wally Johannson, Evergreen Teachers' Association. Mr. Wally Johannson?

I will then call Mr. Robert Dooley. His presentation has been distributed. You may begin, Mr. Dooley.

Mr. Robert Dooley (International Brotherhood of Electrical Workers Local 435): Good afternoon, Mr. Chairperson and members of the committee.

I am Bob Dooley, business manager of the International Brotherhood of Electrical Workers Local 435. We represent 1,800 workers in the sound alarm, answering service and telecommunication industry. Our union will celebrate its 95th anniversary next year. During our history, we have worked hard to establish a good working relationship with our employers and the public at large.

Today, I appear before you on behalf of the 1,600 employees we represent working for the Manitoba Telephone System. The largest percentage of

these members are craft people who interact and serve the public. In addition, we also represent caretakers, building maintenance staff, warehouse workers, telephone shop repair people and garage mechanics. They are your constituents living in every city, town, village and remote locality throughout this province. They are, to put it politely, outraged at their politicians.

On their behalf, I would like to bring their concerns to you today. There are three main issues they talked about at their unit meetings held throughout the province when discussing Bill 22. They are the infringement on the labour-management relationship, as well as the government's ability to disregard and override labour acts of this province.

The second issue they tend to talk about is the economic effects on the public, MTS and the personal well-being of the employees.

The third issue is the effect on their employer and their employment and the service to the customer. To some extent, all these issues are intertwined.

Labour management, the employees at MTS have always taken a responsible position when bargaining collective agreements. Our demands were tempered to the times with settlements around the cost of living. Historically, prior to the early '80s, we could negotiate a collective agreement in a week or two, occasionally with the assistance of a conciliation officer. In 1974, we did have one strike with the telephone operators, but this was not over money.

Our members, your constituents, cannot believe that in a democratic society their elected representatives would thwart a signed collective agreement. MTS is presently attempting to get a quality program established within the company. To date, they have spent tens of thousands of dollars in an effort to inspire and get their employees onside. We like the concept and love the idea of giving quality service. But this program is probably doomed by the continued interference of the government in the labour-management relationship at MTS.

On the economic side, since 1982 we have been subjected to constant wage controls and freezes through the interference of the government. The labour relationship between employees and MTS management has eroded, especially in the last five years. In 1991, we were about to apply for FOS

and had agreed on our selector, only to have seven months of effort torpedoed by Bill 70. Last year, again, we spent seven months negotiating a collective agreement under the watchful eye of the government, settling for a three, three, COLA over three years.

Now, as a result of Bill 22, we have lost 3.8 percent, and given the government's track record, we probably will not see any improvement next year. Furthermore, Bill 22 is not only going to affect us today or next year but will impact on the pensions of our members retiring over the next six years. There is a significantly large group falling in this category. They and their dependents will be affected for the rest of their lives by this legislation.

We could probably buy into a rollback of wages if it made a difference to MTS, but this is not the case. We have been told the monies saved will go to one of three areas—to reduce the telephone rates. The company now outrageously subsidizes telephone rates throughout the province, only turning a profit in one of 10 classes. The money may go to reducing the toll on long distance rates. This may help big business but not the citizens of Manitoba. The money saved will go to reducing the debt load.

If the employees donated a year's wages, it would not eliminate the \$900-million debt MTS carries. Our donation will not pay the interest on this debt, and frankly we are not responsible for the company incurring this debt, but you, our representatives, decided to put MTS in this position and now are restricting the company's ability to service this debt.

* (1410)

On the subject of service to the customer, the potential impact of Bill 22 on the customers now and in the future absolutely overwhelms all employees at MTS. MTS is now in a competitive environment. Are we to do as one vice-president suggested, call-forward our calls to Unitel, or the interconnectors on our legislated days off?

MTS employees we represent throughout the province are highly respected for their above and beyond service to the customers. It has been emphasized throughout our careers that the customer is of prime importance. Fifty thousand person days of customer contact will be lost by taking MTS people off the job. Do you think the competition is going to sit back and wait for us to return to work? Not likely. They will be out there

talking to our customers and selling them on service for 365 days a year. While we sit idling, our competition have been given significant legislative advantages through the PUB and CRTC to further erode our customer base. This legislation will have devastating effects on the customers, our employees, MTS's ability to remain a viable utility.

In summary, I ask you on behalf of the entire workforce at the Manitoba Telephone System to amend Bill 22. This bill will adversely affect the labour-management environment, the quality initiative we are jointly embarking on, and the economic well-being of MTS employees and the public. Most importantly, the service and relationship with our customers will be seriously eroded.

On behalf of IBEW 435 and our membership, I thank you for the opportunity to address this committee.

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

Mr. Manness: Mr. Dooley, I am going to do something highly unusual that probably has never been done in a standing committee before.

I do not know if you were in the audience last night, but you probably heard Ms. Ducharme from The Pas saying that she does not sleep very well at night and accused me of probably having no difficulty sleeping. At that time, I said, believe me, I do not sleep very well.

I will sleep a little bit better tonight because I just had a New York rating agency which has just maintained our rating as the Province of Manitoba. I will not have to hopefully take some of the difficult measures in next year's budget that I have had to because of this.

But I notice you are also aware, sir, that Manitoba Telephone System today could not borrow a plug nickel if it were not for the signature of a Minister of Finance, whomever it is in the Province of Manitoba—could not borrow a cent.

So I say to you, and part of the reason our rating has been maintained, and I will sleep a little better tonight, is because of the fact of some of these measures. Is this good news when I read it to you that our rating has been maintained?

Mr. Dooley: I think it might be good news for you, but I think you could give some consideration as to

what you have done to your workers to maintain and attain that rating.

Mr. Manness: Do you not understand that there would be no job there for any workers if we cannot maintain the telephone system, if it cannot continue to borrow money under somebody's signature?

Mr. Dooley: I suggest to you that there are other ways of creating revenue. I just suggest to you further that telephone workers, in my opinion, are being hit three times by this government.

We are under your control at negotiations. There is no doubt you are at the table, although you may not be physically present. We have been rolled back on Bill 70. We have been rolled back on Bill 22, and we have been virtually rolled back in our personal income tax deduction.

Mr. Plohman: I think the Minister of Finance conveniently forgets to mention his tax cuts to high-income earners and corporations that have amounted to hundreds of millions of dollars over the last five years, since the budget of '88. The minister knows very well that he has left revenue on the table that could have been used to pay for some of these services, so not misrepresenting that. Let us not misrepresent it.

Mr. Chairperson, I want to ask Mr. Dooley about the telephone classifications that are now being subsidized. What has been the traditional situation in Manitoba? I notice you mentioned that the company now outrageously subsidizes telephone rates throughout the province with only one out of 10 classes turning a profit. What has been the traditional situation there?

Mr. Dooley: That has been the situation. There has been some cross-subsidization of the revenues. Basically, a considerable amount of the revenue came from the toll area and went to providing affordable telephone service in the province of Manitoba, but now we are not in that situation where we have the toll revenue coming in. It is being greatly eroded by the interconnectors. We have lost that, and as of June 1, we are basically out of the telephone business. We are not in the market of providing telephones to the public as we formerly provided them.

Mr. Plohman: Yes, that is another policy of this government in deregulation of the communication system in this province.

Secondly, the issue of morale—we asked about the Hydro situation and employees. I detect, from

talking to people throughout the province and from presentations that are made, that they are feeling they are not being appreciated for the work they have done and service they have given.

Do you feel that low morale exists at the present time throughout the telephone system in your travels and contacts? Is that a serious threat to productivity and viability of the telephone system?

Mr. Dooley: I do not think there is any morale left at the telephone system, to be quite honest with you. Today is our first day in the park, and I will tell you that I have had some very trying sessions with my members. They ask me, when the phone rings to go and deliver service to the public today, what do I tell them? It is a situation where, no doubt in my mind, a year ago I would have an answer for them, but today I do not have an answer for them. It is going to have to be their decision what they do, and I would suggest to you that the public are going to find service hard to come by.

Mr. Plohman: I just think that this is something that the Minister of Finance (Mr. Manness) does not consider when he talks about bond ratings. The bond rating agencies do not consider the morale, but they will when it impacts on the bottom line. Would you agree with that?

Mr. Dooley: I would agree with that. I would really like to know if the bond rating service knows that the Manitoba Telephone System is \$900 million in debt, which is greater than, from what the minister said, the debt of the province.

Mr. Chalrperson: I would remind members that we are here to question the presenter, and the debate between members should—Mr. Alcock, to question.

Mr. Reg Alcock (Osborne): Thank you, Mr. Dooley. One issue that got raised last night in some of the presentations was the inequitable impact, particularly on older workers, the impact on their pensions as well as the impact on their salaries. Have you calculated that? Have you done any work on that to try to determine just what that impact is going to be for people who are in their final years and their pension credits may be based on the previous five years?

Mr. Dooley: The impact of this legislation will reduce their pension for the rest of their life. It is going to have an effect on the pensions of people retiring for the next five years. Next year, if you give us another 10 days on the street or 15, it is

going to go for an additional year. That affects not just the retiring person, I would remind you, it affects the whole family or the spouse, dependent, whoever is left at home.

Ms. Friesen: Mr. Dooley, on the last page of your presentation you speak about amending Bill 22, and to my mind, I cannot think of any amendment which would make this bill acceptable in any way. I wondered if you meant withdraw, or if you yourself had some proposals for amendment.

Mr. Dooley: I would like to see it withdrawn, but given the present situation and the present government, I do not think that is going to happen. I think that people should give some consideration to the effects of this bill on the public, on the workers, and again, on the competitive situation at MTS. We cannot deliver services to a customer if we are not at work or if the customer is going to drift off to some other company. That is going to impact.

* (1420)

Our ability to offset those losses of revenues from the toll network is definitely diminished. We are not allowed to get into very much in the way of competition with the private sector. I would like to know, representing these people when negotiating their contracts, where is MTS going to get the money to continue to even pay the interest on the debt?

Ms. Friesen: I think you have raised some very serious concerns, not just for your members, but for the economy of the whole province. I want to thank you for your presentation.

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

Mr. Dooley: Thank you.

Mr. Chalrperson: I would like to now call on Mr. Peter Olfert, Manitoba Government Employees' Union. I believe his presentation has been—oh, copies will be distributed. You may proceed.

Mr. Peter Olfert (President, Manitoba Government Employees' Union): My name is Peter Olfert. I am president of the Manitoba Government Employees' Union. I find it rather ironic to be here making a presentation in a committee room dealing with economic development. In my view, this is certainly not development; in fact, it is underdevelopment.

I wish to say to members of the committee that it is certainly not a pleasure to be here. It is a sad duty indeed that I have to perform by being here to speak to you about Bill 22 on behalf our members. As you are probably aware, the Manitoba Government Employees' Union is Manitoba's largest union. We represent approximately 25,000 workers across the province. The work our members do is as varied as the service they provide. Nurses, firefighters, clerks, home care workers, claims adjusters, liquor workers, casino dealers, college instructors, correctional officers, social workers, natural resource officers—the list is nearly endless and represents about 225,000 years of service to the public in this province.

Our members are the people who carry out government policies to the best of their abilities and often under very difficult circumstances. I am proud to represent them, and I am proud of the work that they do.

Let us now turn to the business at hand. Bill 22 represents many things to our members. It speaks of broken promises, of lies to every public sector employee in Manitoba and of political opportunism. It speaks about how this government does what is expedient, not what is needed. Most of all, it speaks about the government's inability to understand that integrity is not an outmoded word or concept. It is simply a word that this government has abandoned in favour of the easy way out. In my view, there are many reasonable and compelling arguments why the entire bill should be reconsidered and not passed into law.

In the broader context of history, of democracy and of government integrity as an employer in a civilized society, this proposed law goes far beyond merely picking 3.8 percent out of the pockets of provincial government employees for each of the two years. Bill 22, if allowed to become law, means that for the second time in two years the full force of law will have been used to break contracts signed with thousands of Manitoba citizens, commitments this very government insisted on signing, commitments now being broken, since you decided to declare war on collective bargaining in this province.

Government, and I remind you, government insisted on a three-year agreement, signed it in good faith we thought, and cabinet approved it. Frankly, we in the MGEU thought we had a deal. From my point of view it could have been better, but

at least we had a contract which we assumed the government would honour for three years. This was especially important to our members at the time, after having endured a one-year wage freeze imposed by Bill 70. But here we are again a mere 18 months into the collective agreement facing Bill 22.

After enduring unprecedented layoffs, program cuts, decentralization and public-sector worker bashing, we are seeing another piece of legislation which singles out us as the problem. Bill 22 is another massive intervention into the free collective bargaining process—a process, I remind committee members, which only exists in democratic civilized societies of the industrialized world. The collective bargaining system of wage determination may not be perfect. Nevertheless, it is ultimately the best system there is for those societies that embrace democracy and freedom of association.

I could go on at some length on the value of having a balanced labour-management system of wage determination through the process of free collective bargaining. I am not aware of any alternative which works better in any democratic society. But by signing a deal and then renegeing on it, I have to ask you, when is a deal a deal?

How can we ever trust anything that this government says again? Normally, when you sign a deal and then break it, there are consequences. I believe it was Ontario Hydro that signed an agreement with this government, then wanted to break that agreement.

There are consequences to breaking an agreement which this government received from the Ontario government for breaking that deal and apparently there are two sets of rules. I asked the Minister of Finance (Mr. Manness), what will the penalty to the government be in breaking the Connie Curran contract, as an example? What is sauce for the goose is clearly not sauce for the gander. For this reason alone, I urge committee members to give Bill 22 one more serious reflection before again jumping to an iron-fisted remedy of law against the civil service and other public employees.

Three months ago, I attended membership meetings throughout the province to discuss rumours that the government was seeking to reopen the agreement. These meetings were well

attended by over 4,000 public employees and as a result of these meetings I can affirm that the civil service and other public employees are fully cognizant of the provincial government's unprecedented economic vendetta which has been directed against them since 1991.

Since early 1991, the provincial government budgetary initiatives for economic stimulus and renewal have largely focused on public sector issues such as privatization, decentralization and layoffs. In addition, debt reduction schemes through legislative intervention in the free collective bargaining process have been imposed through Bill 70 and again through Bill 22.

You may recall that in 1990, the Premier Gary Filmon ran on a moderate platform based on, what you see is what you get. As the newly elected Premier in that year, Mr. Filmon, on November 6, 1990, stated in the Legislature: "We will act in good faith at all times in the open free collective bargaining process with all employees with whom we have to negotiate."

I have a question for the Minister of Finance (Mr. Manness). Is the Minister of Finance above the Premier's commitments that he made in the Legislature? Less than eight months after giving these assurances, Mr. Filmon's government slashed 958 provincial government jobs, forced the civil service and about 35,000 other public employees into a wage freeze under Bill 70.

The Premier and his Finance minister argued that these measures, together with decentralizing more than 600 jobs from Winnipeg to rural Manitoba and privatizing certain public services, were necessary to bring down the deficit. These measures were also supposed to provide the stimulus Manitoba's floundering economy needed.

As you know things did not work out too well. By 1992, unemployment in Manitoba had gone up to 51,000 from 48,091. The deficit in '92 was \$42 million higher than it had been in '91. The March '90-92 provincial budget included even more civil service job cuts, more privatization and continued decentralization of government services. The Premier and his Finance minister again argued that these public sector initiatives were an important part of their economic renewal package to revive Manitoba's stagnant economy and reduce the deficit.

* (1430)

Well, here we are a year later in 1993 with unemployment figures even higher, food bank line-ups longer than ever, and with the deficit at record level; in fact, the deficit is twice what it was last year. The most recent 1993 government budget is essentially a repeat version of '91-92. Rather than accepting the fact that the government's approach was wrong, the latest budget embraced the hack and the slash and the burn mentality with even more fervour. Another 500 civil service jobs were cut. Entire programs were eliminated, and more privatization such as the Queen's Printer was scheduled.

As in the two previous years, the '93 budget focus consisted to a very large extent on blaming the workers in the public sector for the province's economic ills. The government said again that this will somehow provide economic stimulus for the provincial economy. The government also said that Bill 22 was needed to prevent further substantial layoffs in the civil service. What is substantial? The original 277 layoffs announced in January have now doubled, doubled since Bill 22 was announced. When will there have been enough layoffs in this province in the public sector? Mr. Manness' bromide that Bill 22 would prevent the government from having to introduce harsher options such as additional layoffs will be of little solace to those laid off after the tabling of Bill 22.

Frankly, I would think that Messrs. Manness and Filmon would get a little bit tired of scapegoating the very people who work day in and day out to implement government programs, especially when there is absolutely no evidence that these policies are working or even hold out any prospect that they might work.

An extensive 1992 Royal Bank study on provincial government operations in Canada concluded that Manitoba had the lowest government per capita spending in Canada—the lowest in Canada. Our union's research confirms that provincial government program expenditures are not at the root of the problem facing the provincial government's economy. The biggest problem we have in Manitoba is a provincial administration that is preoccupied with manipulating the civil service and the public sector for largely political reasons while ignoring the real issues of unemployment and poverty. Using the politics of fear for cheap political purpose is scandalous.

I believe that the morale of the civil service and other public sector employees across the province is now at an all-time low. Many of our members have become alarmed at the public's negative misconception about what they do. They are truly disheartened by the fact that this government continually fans the flames of prejudice against public sector workers simply for cheap political purposes. The Chambers of Commerce and, in some instances, the media as well have been willing accomplices in all of this.

The other disturbing trend has been the federal government's success at manufacturing the deficit hysteria which presently grips the entire nation. The fact that the Ontario government is presently attacking its own workers with layoffs and rollbacks indicates how successful the Mulroney government has been in spreading this debt hysteria.

It is strange that Moody's—and you referred to a recent, one of those groups that sets bond rating. Well, Moody's is one of them, and I am sure you have seen that one of the most powerful and respected bond rating agencies in the world said that Canada's credit rating worthiness was on a par with Germany. That does not sound like panic to me.

These attacks on public sector workers are just plain wrong, no matter who does it. Because of the many negative misconceptions that have been created with respect to civil service employment, I want to give just one more example of who exactly is being affected by this bill. There are 732 government employees classified as psychiatric nursing assistants; many of them work at the Manitoba Developmental Centre in Portage la Prairie.

They work incredibly hard, under very difficult conditions. It is a highly demanding and stressful occupation, and they are not overpaid, contrary to what you have been telling the public. On average, these nursing assistants earn about \$22,000 a year.

I do not care how hard your hearts have become against public employees, and I do not care what other work and wage comparisons you want to make, I challenge any of you to work just one shift with these employees, just one shift. I will guarantee you that you will not continue to support this terrible legislation.

These men and women have families and contribute to all the communities they live in. They are not the problem, Mr. Manness. They are not the problem. I would like to turn, for a moment, to the process which this government has used against us.

Mention was made earlier of the meetings which I attended across the province. These were begun after Mr. Manness promised no decision would be made until we had a chance to consult with our members. Those are the words of the February 2 meeting, leaving your offices. Then, after the second in a series of eight meetings, only a few days later, I got a phone call at midnight, in The Pas. It was the Labour minister, Darren Praznik, who said that the government had no choice other than to bring in what he called the 10-day plan.

There was no consultation. There was no negotiation. There was no honesty in this whole process. Once again, this government proved that they could not be trusted. I ask you, how would you react if this happened to you? How would you react? I cannot believe that you would feel any different than do our members. You would feel betrayed, and you would be cynical about the process.

Initially, I think the government thought it could impose this 10-day plan without legislation. They soon found out that what they were trying to do was incredibly complex and would, in all likelihood, contravene the collective agreement. Not ones to be stopped by such niceties as legal and binding contracts, Bill 22 was devised so that the wages of 100,000 workers could be subjected to what amounts to a special tax.

The most galling aspect to this betrayal was that the government kept talking about fairness. Where is the fairness in any of this? The latest budget went after two major groups: public sector workers and the poor. There were no measures to make the tax system more progressive. On the contrary, our tax system became even more regressive than it was before, and you have the nerve to talk about fairness. But if there is to be any judgment about fairness, I am not asking any of you to take my word for it.

There is, however, an international forum whose sole purpose is to monitor international working conditions—the International Labour Organization, an agency of the United Nations, a tripartite body

composed of business, labour and government representatives. Canada, and indeed this province, are signatories to the ILO.

You may recall that the MGEU appealed the ILO when this government imposed a wage freeze on its employees through Bill 70. This respected international body denounced the passing of Bill 70 because of its unilateral and arbitrary nature.

We have again filed a complaint with the ILO because of the imposition of Bill 22. I have no reason to believe that the results will be any different this time. This legislation clearly contravenes the letter and the spirit of the agreement Canada signed with the ILO and which this province ratified.

Again, this government is not about to be intimidated by a mere agency of the United Nations. The remarks of the Premier (Mr. Filmon) even had the effrontery to tell the media that the ILO is not relevant to conditions in Manitoba. The ILO is not relevant in Manitoba. I guess my question to him would be, where then is it relevant, Guatemala, Chile, Iran?

Mr. Chalrperson: I would just remind the member he has approximately two and a half minutes.

Mr. Olfert: I will finish the brief as quick as I can.

In those countries whose record of worker abuse is so well known and where it is so easy to point a finger from a distance or is only relevant when it is convenient to adhere to the principles of equity and fairness? Sadly, I do not think the Premier even had the decency to be embarrassed about the condemnations of this government's actions.

The public has not only been misled about the fairness of this legislation, they have also been terribly misled about the impact of the layoff, the 10-day layoff plan, both in terms of the economy and services to citizens.

* (1440)

The economic impact will be nothing short of devastating. Manitoba is already reeling from an ongoing impact of the recession coupled with government's complete abandonment of its traditional role in supporting a mixed economy, both private and public sector initiatives. After six trickle-down budgets, this approach has been an abject failure. Now it is facing an additional negative impact of the 10-day layoff of 100,000 workers.

For Winnipeg, it means 56,000 people will lose 10 days wages. In effect, almost \$200 million will be taken out of the economy in Winnipeg alone using the economic multiplier. How your friends in the chamber of commerce can continue to support and encourage this kind of legislation remains one of those mysteries of life. When workers lose that kind of money, they simply will not be able to go on spending in all of those businesses.

In rural Manitoba, the scenario is the same, \$21 million out of the economy in Selkirk, Beausejour, Steinbach. It can only mean more failed rural business, more layoffs and more suffering.

We in Manitoba will be losing one million days of public services, one million days through Bill 22. That kind of loss cannot be dismissed with the airy assurances that it will only mean that the people can go fishing or spend more time with their families. That kind of loss is going to mean that public services already hard hit by layoffs and cutbacks will suffer even more.

Let us look at the 10-day plan out there in the real world. It is becoming clearer day by day that many of the services that our members provide simply cannot be put on hold for the 10 days. The gone-fishing assurance from Mr. Praznik is being exposed for the fiction it is. The Dauphin General Hospital, for example, the X-ray and lab facility will be shut down on Fridays this summer, but since patients still need X-ray and doctors, still need to order tests, the staff that is taking the 10-day layoff will be required to work overtime to catch up. That does not sound very efficient to me.

In Thompson, normally our members the sheriffs transport prisoners to The Pas or Grand Rapids for the weekend because the Thompson facilities are inadequate. Now the prisoners are going to be held over the weekend by the Thompson RCMP at a cost to the province of many thousands of additional dollars.

In Portage la Prairie, MPIC staff have already had to work overtime, at a time and a half, on Saturday to catch up with the Friday backlog.

Child and Family Services offices in Brandon plan to lay off regular staff and then bring them back the very next day at \$2 an hour less on a casual basis to maintain the minimum services they are obliged to maintain under the act—the very same people. It makes no sense.

This is not a plan. This is malice in blunderland, malice against public sector workers and the continuing confusion and poor planning behind the whole operation. When the dust settles, I guarantee that the general public will understand that they have not been told the truth about this legislation. They will not be happy. Do you believe for one minute that the 100,000 public-sector workers and their families, whose rights have so blithely been trampled on, will forget who did it? I think not.

In closing, I thought it might be worthwhile to leave you with a final thought. This legislation is another part of a decade-long Conservative agenda of reducing Canada's social infrastructure. You, the members of the provincial government have been willing, indeed enthusiastic, co-conspirators in this whole process.

You would all do yourselves and all Manitobans a very big favour by heeding the words of author Linda MacQuaig. She says: Far from being an economic imperative, the erosion of our public system may, in the long run, be a recipe for economic and social decline. Our obsession with cost cutting has blinded us to the dangers of letting our systems decline with potentially disastrous consequences for the future. Rather than viewing the cost of our social welfare as money disappearing down a black hole, we should regard it as money invested in our future.

I would like to thank the committee.

Mr. Chairperson: I would like to thank you very much for your presentation. [interjection] Order, please. I would like to just remind the public of the dignity and the decorum of the room and the presentation, but thank you very much for the presentation, Mr. Olfert.

I would like to now call on Mr. Jeff Brown.

Floor Comment: Questions.

Mr. Chairperson: I am sorry, the time that was allowed for the presentation was over the 20 minutes. [interjection]

I will remind the members in the audience that I have been very lenient with the presentation in that I gave the member his time, and we will now proceed with the next presenter, which is Mr. Jeff Brown.

Point of Order

Ms. Friesen: Mr. Chairperson, on a point of order, I want to put on the record my concern that we have not been able to ask questions of the Manitoba Government Employees' Union, that I have a number of questions, particularly about the Child and Family Services in Brandon—

Mr. Chairperson: I am sorry. Order, please. The member does not have a point of order. I will now call on Mr. Jeff Brown.

Point of Order

Mr. Plohman: Mr. Chairperson, on a point of order, we reject this muzzling of the public that you and this government—

Mr. Chairperson: No point of order. I am sorry, the member does not have a point of order.

* * *

Mr. Chairperson: We have a member of the public up here to make a presentation. I would like to now call on Mr. Jeff Brown to make his presentation.

Point of Order

Mr. Paul Edwards (Leader of the Second Opposition): On a point of order, Mr. Chair, I understand the restraints which you wish to have this committee adhere to—

Mr. Chairperson: Correction, I believe it was the will of the committee on the time frame; it was not the time constraints of the chairperson.

Mr. Edwards: Mr. Chairperson, this presenter, it strikes me, above perhaps all others, is a person who I think is perhaps deserving of having an opportunity to respond to questions of members of the committee. This is a very particular individual. I just wonder if it would be the will of the committee, and I would ask if the committee would be willing to grant leave in this situation—I understand you do not want to set a precedent—to extend the time for this particular presenter.

Mr. Chairperson: You have asked me for leave. I will ask the committee whether there is leave.

Some Honourable Members: Leave.

An Honourable Member: No leave.

Mr. Chairperson: Leave has been denied.

* * *

Mr. Chairperson: I will now ask Mr. Jeff Brown—

Some Honourable Members: Oh, oh.

Mr. Chairperson: Order, please, in the dignity and decorum of this room. We will not proceed until there is quietness in this room.

Mr. Jeff Brown (Private Citizen): I have 20 minutes to speak. I believe I can clear you 10 minutes for you guys to answer questions.

Mr. Chairperson: That is not your prerogative, sir.

Mr. Brown: In the interest of time, or I could stand here for 20 minutes and—[interjection]

Mr. Chairperson: I have made the comment that we will not proceed until there is quiet in the room.

Point of Order

Ms. Friesen: Mr. Chairperson, on a point of order, yesterday in this session Mr. Manness claimed that he was prepared to negotiate with Mr. Olfert up until the time of the hearings yesterday, and he did say that he was looking for an answer from Mr. Olfert on that. I want to hear Mr. Olfert's response on that.

Mr. Chairperson: The member did not have a point of order.

Some Honourable Members: Oh, oh.

Mr. Chairperson: Order, please. I will ask the members, just as I have asked members of the public—[interjection]

Order, please. I have asked the audience to be quiet; I will ask the members to be quiet.

Floor Comment: Everybody be quiet.

* (1450)

Mr. Chairperson: I am asking for quiet in the dignity of the decorum of this room. The member and the individual in front of us has a presentation to make. His name is Mr. Jeff Brown. He will make his presentation now. Mr. Brown to proceed. Mr. Brown to proceed with his presentation.

Point of Order

Mr. Edwards: Mr. Chairperson, on one more point of order, I understand that the reason for the time constraints was so that the committee would move expeditiously. This gentleman has made a very generous offer to give up some of his time so that we might have time to question Mr. Olfert. I want to ask the committee again and put a motion before the committee that we grant leave to accept this

gentleman's offer and take 10 or whatever he is prepared to offer to question Mr. Olfert. That is a generous offer. I think we should—

Mr. Chairperson: I will ask the committee then whether there is leave as the individual has asked for. Is there leave?

Some Honourable Members: Leave.

Some Honourable Members: No.

Mr. Chairperson: Leave has been denied.

Point of Order

Hon. James Downey (Minister responsible for The Manitoba Hydro Act): Mr. Chairperson, on a point of order, I believe the understanding, my understanding—

Mr. Chairperson: Quiet, please.

Mr. Downey: It is my understanding there were some guidelines set last night as to the time of presentations. If there were to be questions asked of Mr. Olfert, he knew that, and his presentation could have been 10 or 15 minutes and allowing enough room for questions.

As a member of the Legislature, we have a certain amount of time limit to speak. After that time limit is over with, we are cut off as members. We are not treating the public any differently than the Legislature operates.

Mr. Chairperson: Order, please. I believe the rules of the committee were set out yesterday at the beginning of the proceedings. At the beginning of the proceedings, the rules and the procedures were outlined. The rules and the proceedings were for individuals to make presentations of 20 minutes—they had a maximum of 20 minutes, whether there was 10 minutes of speaking and 10 minutes of questions, or 15 and five. Mr. Olfert, the—order, please.

Mr. Chairperson: If the members have comments, they should put them on the record.

I am telling you right now that the person on the floor to make presentation is Mr. Jeff Brown. Mr. Brown to proceed. Mr. Brown, you may proceed at this time.

Mr. Brown: Well, everybody knows my name, and, yes, initially, I was not prepared to use 20 minutes of your time. I work for—

Mr. Chairperson: Mr. Brown is proceeding with his presentation at this time.

Mr. Brown: I work in hydroelectric generating stations, and as a result, this legislation is going to impact on me directly. When I first heard about it, of course, it was sort of rumour at the time. I said, no, we do not elect fools, and they would not do something stupid, and we do not elect fools, but they are doing something stupid.

This legislation appears to be some kind of admittance of incompetence. You were unable to come in to an agreement with the Manitoba government employees. I do not know what fell apart there or why you could not make your case with them at the time for them to take their cutbacks, whatever you wanted them to do. I would suggest that you did not have a good enough case for them to take cutbacks, that they are doing a job properly, they are doing it within reasonable pay and reasonable cost.

So it appears to me that this legislation was an admittance of—I do not know—some kind of mismanagement, and you have now got to be heavy-handed and say, no, we are not going to abide by our agreements. You have to do it this way anyway.

If that was all this legislation was, I would probably still be here saying that that is wrong. I do not work for the government, but working for a Crown corporation means I have been included in this. Which makes me all the more wanting to be here and ask—that is what I am doing here—I am asking, what is going on?

When I first heard about it, they said, well, they are going to take \$1,500 from you and give it to Manitoba Hydro. I thought, well, that is nice. They are going to pay down the deficit with that? Well, of course not. Manitoba Hydro is doing fairly well, I mean, our power rates are well below the market value. When you use electricity for running that fan there or whatever, it is being used at a price which is less than its market value.

If you want to raise money, I would suggest, be honest and straightforward with people about it and take the Hydro rates and bump them up to whatever the reasonable rate you come up with. Go to Ontario, see what they are charging; North Dakota, see what they are charging; Saskatchewan, say, it is going to six cents or whatever, raise the money that way.

That is one point I wanted to make. I am being taxed an extra \$1,500. If I could put \$1,500 directly to deficit reduction, maybe I would not be so upset about it, if everybody was doing that. If you went out to every Manitoban and said, hand it over, \$1,500 on Tuesday please, people might take that as being fair, anyway.

So I have a question, one of them is to the Finance minister, I suppose: what are you trying to accomplish by taking this tax? That is the end of my presentation, so you can respond, if you want.

Mr. Chairperson: I thank you very much for your presentation, Mr. Brown.

Mr. Alcock: Mr. Chairperson, I wonder if the Finance minister cares to answer the question.

Mr. Manness: Mr. Chairperson, the rules of committee have changed a little bit since I was here last year on one of my bills. I have not seen the situation before where the Minister of Finance is asked a question by a presenter.

But, I understand the question, and certainly I will answer it in a lead-up to a question I will put to you, Mr. Brown.

Certainly when we were looking at all of the ways of reducing the total cost of government, when one realized that, basically, 80 percent of a \$5.5-billion budget is wages—very close to—either civil servant wages or, indeed, public sector wages, one very quickly realizes you can only find the savings that you are after when you have a structural deficit this year, starting around \$700 million. Working down from there, there were only so many paper clips and paper pads that you could throw away, or work toward eliminating.

Ultimately you had to begin to look at the wage bill of government. That is exactly what we did. Now, I know you work for a Crown corporation, and you say you do not work for government. In a sense, you are correct. But to another sense, to the extent that I am the trustee for all Manitobans, all the ratepayers of our province and, therefore, ultimately the shareholder responsible for Manitoba Hydro, and given that we are deemed to be more or less one and the same family, then the decision was made under Bill 22 to of course increase the total scope including all of the public sector, including the Crowns.

I mean this is not an enjoyable exercise. In spite of what Mr. Olfert and others may say, we do not get any great pleasure out of this. We certainly do

not receive any great support from the public. So the reality is that you have to do what you have to do. You have to make choices, and we have made the decision that we have now.

There are others, in the NDP for instance particularly, who would say, well, go out and spend some more money, but they have found out that is completely a wanting philosophy. It just does not work. As a matter of fact, their brethren and their soul sisters elsewhere, of course, when they are in government, do not or cannot practise that because they do not have the money. So, unfortunately, starting with ourselves as legislators and indeed asking all of us who draw our salary from the public purse—

Mr. Brown: I do not draw my salary from the public purse, and you are kind of avoiding the question here.

Mr. Manness: No, I am not. You are asking why it is we brought in Bill 22, and I am telling you exactly why we brought in Bill 22, to maintain the tax level so we did not increase taxes—the only province in Canada to do so.

So that is the reason that Bill 22 was brought in, but I know there are other members that want to ask questions and I would ask you then, sir, if you then are indicating that you much rather would have been able or prepared to pay much higher levels of tax, that would have been a much more acceptable solution to you than what the government has chosen?

* (1500)

Mr. Brown: No, I said it would have been a fairer solution. It would have been a more honest solution on your part also. If you have a problem and you are trying to address the problem—this is sort of what I do at work, I try to solve problems—and you are trying to solve the problem, you want to be honest about it and say point blank, well, we have got a deficit problem. When you are negotiating with Peter—it is unfortunate he left the room, because I cannot believe you guys did not answer his questions—but if you are negotiating with this guy and saying, you know, we are trying to cut back here. We have got to do this. We are trying accomplish this. We would like you guys to take a cutback.

You guys did not succeed at that. I suggest you did not succeed because many of their members are being underpaid, so you are being—I do not

know, I think it is dishonest the way you are going about this. It is not right to dump on—are those guys getting reasonable pay? That is not the solution, and you still did not answer my question as to how increasing Hydro's coffers addresses the deficit which is what Bill 22 is about. I do not understand how giving Hydro—I do not know what it would work out to be—\$1 million, \$2 million extra reduced labour costs solves the deficit. It does not go towards deficit reduction. If you wanted to use Hydro's budgets to reduce the deficit, like I said, up the rates and take the profits from that. Of course, that is maybe too straightforward and too honest to do.

Mr. Alcock: Mr. Chairperson, I would be interested actually in the Finance minister's response to that. I believe what I heard you say, Mr. Brown, is that if the province was trying to solve a problem, trying to pay down the deficit, you would have less of an objection, but that in your particular case, and in the case of a great many workers, IBEW and others, that is not what is happening, that all we seem to be doing is lowering the fees paid to the various Crown corporations. So I wonder if Mr. Manness does not have another agenda here.

It is interesting, you know, the public comes before us and Mr. Manness says that we should not be allowing questions, or it is unusual to allow questions. I would ask him, at what point does a person like Mr. Brown get an answer to the very legitimate questions he has?

Mr. Brown: Actually, that is a good question. At what point do I get an answer to that? I still do not understand how reducing Hydro's labour costs reduces our deficit?

Point of Order

Mr. Manness: Mr. Chairperson, I am prepared to engage in this game pretty quickly. But having sat on these committee hearings now for 14 years, never have I ever seen where a presenter demands answers of a minister to defend. Now, that is the right now of Mr. Alcock and, indeed, any member of the committee to put questions to the minister—

Mr. Brown: I do not know these rules, I just come here as a voter—

Mr. Manness: No, no, sir—and to Mr. Brown, I am not criticizing him, and I am not finding fault with his request. But I am saying to the members of the

committee who know fully well the rules, Mr. Brown, I am saying that this is unconventional, totally outside of the practice of this committee.

* * *

Mr. Brown: It might be so far the Chairperson is allowing this, I suggest, is because he is trying to be fair and open, and this is an important issue. The Chairperson is allowing you to answer my questions. What you did was, you went on and explained some of your philosophies there, and used some good points, factual points, but you never did explain how reducing Hydro's labour costs reduces the deficit, which, I understand, is the objective of the bill.

Mr. Plohman: Yes, also unconventional, of course, for these hearings is a time limit on the presenters who come before it. That is unprecedented. We have not had that practice over the last 10 or 12 years that I have been in this Legislature, that we have put this on regular bills that are before this House.

Mr. Manness: Constitutional hearings.

Mr. Plohman: The minister talks about constitutional hearings. I want to ask the presenters, Mr. Brown, whether you have seen any benefits to the Manitoba economy from the government's action of leaving hundreds of millions of dollars on the table over the past five years, through high income surtax reductions, corporate tax rate reductions, health and education levy reductions commonly known as the payroll tax, corporate mining tax reductions and corporate training grants to corporations? How has that stimulated this economy in terms of the deficit, that you can see?

Mr. Brown: I guess if it had the potential to do that, I suppose I would have seen it in, say, for example, the unilateral wage increase would have shown up there. As these companies and more individuals who are making more money, they would have just said to their people, whoa, I have got my taxes cut a few thousand dollars, here is an extra 50 cents an hour, but that did not happen, and it does not work that way.

You can, to some extent, reduce business costs and pass that on to the people, but unless you have fair legislation to ensure that it happens, it does not just happen.

Mr. Plohman: Yes, well what we have seen is that there is a lot of revenue forgone here which has led to the problems that the Minister of Finance (Mr. Manness) has talked about, is why he has to cut your wages now. Because the deficit, as he said, is so large that they have to cut your wages.

I am saying, if they had kept this money that they could have had over the last five years, they would not have had to do this. Do you agree with that to a certain extent?

Mr. Brown: Actually, I do agree with that. Myself, I have voted—well, I will not say I voted for the Conservatives. It is too embarrassing to say that nowadays. But in the past they stood for a flat tax. It used to be tax reform; of course, it is not now. Federally, anyway, they completely failed with that tax reform, you know, flat tax. Provincially, they are not moving in that direction either. So it is—

Mr. Chairperson: I thank you very much for your presentation, Mr. Brown.

I will now call on Ms. Donna—pardon me, I am sorry.

Mr. Brown: I am not familiar with these proceedings, how they go. I did not come with a written presentation or anything like that, but as a voter I am really amazed that you did not direct questions. I would probably have a dozen questions for Peter Olfert. He is not here right now, I guess, but that is amazing that you guys did not have questions. I believe there was one person, Mr. Downey I think it was, that said no, and some of the other ones just—

Mr. Chairperson: He did it on behalf of the government.

Mr. Brown: Exactly, because some of the others did not say it. That is not how a government should run. This guy represents a lot of people and you did not question him. I mean, is that not some kind of abdication of your responsibility?

Mr. Chairperson: I would just like to point out that usually when committee is formed and a committee sits, it sets down a set of rules and guidelines to work within. At that time, the parameters are put out. The committee agrees to these principles. The principles that were implemented with this committee hearing was presentations of 20 minutes, which could have been 10 minutes or 15 minutes of oral or written presentation and then proceed with questions. This was agreed upon yesterday when the committee was first formed.

So this is the way it is. I believe it is the will and the direction of the committee that sets the rules for itself.

Thank you very much for your time, Mr. Brown, with your presentation.

Point of Order

Mr. Plohman: On a point of order, I think it should be clarified to the public that the government does have a majority on this committee and therefore sets the agenda of the committee on their own, and it was objected to by the opposition. We do not agree with that decision made by this committee.

Mr. Chalrperson: Thank you very much. You did not have a point of order.

* * *

Mr. Chalrperson: Order, please. We will now call on the next public presenter. The next person that is coming from the public to make a presentation is Ms. Donna Finkleman. Mr. Randy Taylor. Ms. Deborah Jamerson, yes. I was not too sure if I had it spelled right here. Do you have a written presentation? No? Okay, it is your floor. Go ahead.

* (1510)

Ms. Deborah Jamerson (Private Citizen): I stand in front of this committee today not only as a private citizen but a union member, a woman, and a single parent, and I want you to know what Bill 22 is going to do to me.

First of all, in the last little while I have not had a raise since 1990. Then we had Bill 70. This government has attacked our education system. This government has attacked daycare, and now you are attacking the working people of this province.

It just kills me to know that I am not going to leave my child better off than my parents left me. My kids are going to suffer by what this government is doing to us, the working people.

It is strange. We vote you people in as our elected members to do the will of the people, but you are not doing the will of the people. You are doing the will of the selected few.

When we had a referendum, Canada finally spoke out and said no. If you members here in Parliament were to go out onto the streets and listen to the people, the answer to Bill 22 would be no.

I cannot understand how a government can attack the working people of this province who are putting their tax dollars to make it work. You tell me that cutting me back 10 days a year in wages is going to save you millions of dollars, but I do not have that money to put into provincial sales tax that you take from me. So where does this make sense? It does not make sense to me.

I have no plan in the way to bring down the deficit, but I will tell you something. The way that this government is going about it is wrong because all you are doing is putting more and more people out of work, putting more and more people in poverty.

I once was on welfare, and I struggled and I fought and I found a job, and I said, I can make more money than the welfare system gives me, but do you know what? I am better off on welfare. At least I can send my child to a dentist. At least I can get some psychiatric care for him. I thought that it was more important that I pay my fair share to make this province work, but do you know what? I am wrong, because do you know what? You people do not want to make this province work, and it makes me angry.

Thank you.

(Mr. Edward Helwer, Acting Chairperson, in the Chair)

The Acting Chairperson (Mr. Helwer): Thank you, Ms. Jamerson.

Mr. Plohman: There is a question.

Mr. Acting Chairperson, I want to thank Deborah Jamerson for her very eloquent presentation. That speaks more than any written words and any words that we hear from the minister. It is spoken from the heart, and we really appreciate hearing that because you represent Manitobans who are impacted by this.

Ms. Jamerson: Thank you.

Mr. Plohman: I want to just ask you whether you have talked with your colleagues and people you work with as to how this is going to impact on their ability to continue to make ends meet in the wage levels that we are dealing with here.

Ms. Jamerson: It is going to be difficult. There are a lot of people out there—

The Acting Chairperson (Mr. Helwer): Ms. Jamerson, just wait until I address you so that we get your mike on. Go ahead.

Ms. Jamerson: Okay. It is going to be difficult. A lot of people are afraid of what is going to happen. I have heard comments, like that is almost \$1,700 a year, which may not seem like a lot of money, but when you are paying for food, daycare, just the little incidentals, sending your child to soccer or maybe a week's camp, that is where all that money comes from. There are a lot of single parents out there who are trying to make ends meet, not living off the system but trying to be independent, and they find that it is getting harder and harder every day. It is not an easy task.

Mr. Plohan: Do you know what kind of wage level we are talking about?

Ms. Jamerson: We are talking about people who make maybe \$20,000 a year. That is not a lot of money, and God forbid you should get laid off.

The Acting Chairperson (Mr. Helwer): Thank you for your presentation, Ms. Jamerson.

The next presenter is Ms. Beth Stambrook. Is she here? Mr. Jack VanMulligen. Patti Pugh. Do you have a written presentation?

Ms. Patti Pugh (Private Citizen): No.

Mr. Chairperson: Okay. Just carry on whenever you are ready.

Ms. Pugh: Thank you. My name is Patricia Pugh. I am a provincial government employee. I work at the Cadham Provincial Lab. I am a medical laboratory technologist.

I can only speak to you from my experiences as a medical laboratory technologist working in that particular lab in the environmental microbiology section. I happen to feel that we do some very important work in that whole lab, and the section I work in we test all water and food for the whole province of Manitoba and some of the Northwest Territories.

Water testing and food testing is very important as far as public health goes, because I think that a safe water supply is what separates us from Third World nations. Treated water must be free of micro-organisms capable of causing human disease. Health authorities and water engineers rely on information obtained from the results of frequent bacteriological tests.

Now, outbreaks of disease were common in Canada before the introduction of chlorination. Since 1971 only three outbreaks have been recorded. Just this year in April, 1993, thousands

of people in Milwaukee became ill because of a parasite that entered the city's water system. Some needed hospital treatment. The chairman of the U.S. House of Representatives Health Subcommittee warned that many U.S. cities could suffer from contaminated drinking water unless inspection programs are improved.

A cholera outbreak began in Peru in 1991 and has now spread to Mexico and the Caribbean, afflicting 600,000 people and resulting in 5,000 deaths through to August 26, 1992.

The federal health ministry of Bangladesh reports that 175,613 people were treated for cholera between January 1 and May 31, 1993, and 1,844 of them died. This strain of cholera has killed adults in nine hours and children in six. The bacteria are found in contaminated water and food. I think, from these types of examples, it is obvious the importance of a surveillance program for water, food, and it is obviously a cost saver. People will not end up in the hospital.

So what does Bill 22 mean to the lab that I work in? A medical laboratory is basically a seven-day-a-week operation. You do not just shut it down one day and walk away and come back. Bacteria grow, and they keep growing whether I am there or I am not there. If I am not there, everything will be spoiled, thrown out. It is a total waste of time. It is also very inconvenient to our clients who are trying to use our services. We are going to be put under an incredible amount of stress trying to get our work done.

Just to give you an example, clinical microbiology section in our lab, in 1991-92, put through 153,622 tests; the virus lab, 20,324 tests. Virus isolation is an extremely laborious process, so those 20,000 are a lot of work. The section I work in, we put through 90,458 tests; zoology, 213,101 tests; metabolic screening, chemistry, 189,740 tests. This adds up to 667,245 tests. So you can well imagine we put through a lot of work in a day.

If we are going to be expected to try to push that work into less time, it is just going to be impossible. One of the very important things about lab work is accuracy. There is no point in us even doing things if we are running around, rushing and not getting it done right.

* (1520)

What does Bill 22 mean to me personally? I am still reeling from the wage freeze through Bill 70 in 1991. I personally was caught in a pay equity inversion where I made less money than the people under me for a full year. I was expected to just forget about this and move on. I am still reeling from that.

Now, I get hit with Bill 22. I would really love to buy a house. I need a new car. I am not going to buy either of those things in the next little while, and I am not spending any money because I do not feel confident in my ability to support myself anymore. I strongly suspect I am going to get 15 days deducted off me next year. I just cannot go out on a limb. I do not know; I am not even sure I am going to have my job next year.

So I strongly suspect, as well, that I am not the only person in Manitoba that feels this way. It has to have an effect on the economy. I am not an economist, but I do know what I know, and that is that this does not make me feel very good about the future.

Another little pet peeve, just to wind this up, that I have is, it is getting very tiring being a government employee. I used to feel very good about my job. I used to really enjoy it. I have not heard anybody say one good thing about us in the past number of years. We are treated like the enemy when all we are trying to do is go out there and do our job. I want to do my job well; I want to do it every day. I think my pay cheque is my reward, and that is all that I ask. I think, every now and again, a kind word from our employer rather than the big stick over the head would be very refreshing. Thank you.

The Acting Chairperson (Mr. Helwer): Just some questions for you, Ms. Pugh.

Mr. Alcock: Ms. Pugh, you raise an interesting question that I hear more and more and more of, and it goes more to the heart of the morale issue about being treated as the enemy by your employer, by the person you would expect to be the only person that is going to speak up for the quality of your work and to congratulate you now and again. Can you enlarge upon that a little bit, because I think it is an issue that does not get brought to this committee?

Ms. Pugh: The way I see it, we are just constantly used as the way to make up for any shortcomings in society. We are constantly. I mean I have subsidized the government, my employer, year and

year with my salary. They are coming to me again, to the tune of \$1,500 this year and more next year. That is \$1,500 less I have this year than I had last year.

I really do not think my phone bill has gone down. I do not think my hydro bill has gone down. I know my rent has not gone down. I know the gas stations are not pumping gas into my car for any less than they were a year ago, so something has got to give. Eventually, we are going to come to the breaking point. It is constant. It is one thing after another.

Mr. Alcock: Mr. Acting Chairperson, it is interesting. It is a nonmonetary issue, but it is an exceptionally important one. In any of the literature that this government purports to read or to understand about good management, employee morale, a sense of team, a sense of working together, a sense of support, a sense of independence are all important principles, and they just seem to have violated that completely in addition to taking the money back, et cetera. It is something I think we do not focus on, that there are a lot of people out there that do an awful lot of very hard work for us. Anyway, I will pass.

Ms. Pugh: What leaves us at the lab from having a total fiasco as far as morale goes is that we do consider ourselves professionals and no matter what happens to us from the outside we will continue to do our job as best as we can, but it is getting more and more difficult. Our hands are getting tied and we just cannot physically do any more work than is being done now. Yet a lot of people would have you believe that we sit around there with our feet up on a desk all day.

Mr. Plohman: Was there any discussion about having your work that you do deemed to be essential service and, therefore, not subject to the reductions in the workweek? Was there any discussion by management? Did anyone come to you, or did you put forward that proposal?

Ms. Pugh: Not that I know of. The only things I heard are that liquor stores and casinos were essential services and that public health labs were not.

Mr. Plohman: Well, that kind of contradiction is something that we have noticed. There does not seem to be a clear policy or direction from the government on this, and I just wondered as an employee whether you have found that in terms of

discussion of essential services. Was it ever discussed as a possibility for the service?

Ms. Pugh: I was not privy to any of those discussions, no. Of course, most information in government travels by rumour so you really do not know what is what.

Mr. Plohman: You talked about having to throw out tests because bacteria do not stop growing and so on. It is seven days a week. Do you actually see counterproductivity in this in terms of lost work and, therefore, really no savings at all to the government?

Ms. Pugh: Okay, it will definitely happen in our department because if we are shut down for three days, water testing has to be done within two. If we receive your water sample and it is more than two days old, we do not do it because it is senseless at that point and it is a waste of money. People that are caught in the confusion about whether we are open or not open and what days we are open—if they go to the trouble of driving to their cottage, collecting a water sample, driving all the way back to the city, coming to the lab, dropping it off, to find out that we are closed or where it is four o'clock and we will not process it that day, and it will be three days till we are back again, then, yes, it is a big waste of time.

Mr. Plohman: You will not vary your professional and scientific standards in any way to place at risk the integrity of any of the tests you are doing as a result of this, so really it will mean fewer tests being done or are you given the opportunity for overtime then?

Ms. Pugh: We were told no overtime. Get it done in the eight hours and that is it. No overtime to be generated because of the reduced workweek or layoff, whatever you want to call it.

Mr. Plohman: Mr. Acting Chairperson, will you just turn away tests then, refuse to do them? Has that been contemplated? Is that one of the results of this?

Ms. Pugh: It will depend on the section. We have a policy right now with the two days for water samples, for example. I mean that stands because there is no point in doing something when the results do not mean anything. With the extra day of being closed, it means people that have mailed something in and it comes to us after hours on a Thursday night, it will sit there till Monday morning and we will come in and heave it out.

The Acting Chairperson (Mr. Helwer): Are there any further questions?

Ms. Marianne Cerlill (Radisson): This is a very serious matter, and I am glad that you are presenting this to the committee and I am able to hear it as the Environment critic for the opposition. I would think that most people would agree that having water quality tested is more of an essential service than selling liquor. It is interesting putting those two things together.

One of the questions I would ask you is you have been operating then for how many weeks on the shorter workweek?

Ms. Pugh: We have not started yet.

Ms. Cerlill: Are there tests that are done on a routine nature, sort of on a scheduled nature?

Ms. Pugh: Yes.

Ms. Cerlill: So then this could disrupt your schedule quite substantially?

Ms. Pugh: We are going to have to try to get the five routine days worth of work done in four.

Ms. Cerlill: Can you give us more information about the kinds of samples that you are dealing with, the variety of the different things that the Cadham Lab does these routine tests on?

Ms. Pugh: Speaking of water, the whole lab, like an environmental department or the whole lab—do you want?

Ms. Cerlill: I realize that you are probably more familiar with your section but if you have information just generally about what the other sections of the lab would do, particularly on a routine basis?

Ms. Pugh: For instance, we have the only lab in the province, aside from the Red Cross that screens for HIV. The serology section does a lot of public health serology. We have the only virus detection or virus isolation lab in the province. There is the metabolic chemistry section that screens all newborns for the various metabolic disorders, which apparently saves huge amounts of money if you can detect some certain diseases before this child ends up in an institution for its whole life.

* (1530)

Then we have the clinical microbiology department which is a big support to the rural units. It would not make any sense for them to all have

these autoanalyzers and do all of these tests, that we become the central for a lot of microbiology tests for the lab and x-ray units. They do some unique tests as well. They screen for chlamydia, which is sexually-transmitted disease. We get up to 600 of those a day. So that is just kind of an overview of some of the types of things that are done in there.

Ms. CerlIII: Do you recommend to the government that this is an essential service?

Ms. Pugh: Yes, definitely.

Ms. CerlIII: The lab has also started to charge for fees that previously did not have fees charged. Is that correct?

Ms. Pugh: I am not really all that familiar with that end of it, but I think there is some charging going on, yes.

Ms. CerlIII: So then there could be even a double barrier if people are not sure when you are open; there could be some confusion or frustration if they have had tests turned away because they have had to be disposed of. So there could be some barriers from this of having people bring material in to be tested, sort of a double barrier, because they both have to pay. Then they are not sure when they are open, and there could be some problems with having their results given to them the first time that they bring it in.

Ms. Pugh: Yes.

The Acting Chairperson (Mr. Helwer): If there are no further questions, thank you very much for your presentation, Ms. Pugh.

I would like to call the next presenter, Mr. Paul Williamson. Paul Williamson? If he is not here, I will go on to the next one, Gail Watson. Do you have a written presentation, Gail? Okay, you may proceed then.

Ms. Gail Watson (Manitoba Association of School Trustees): Mr. Acting Chairperson, committee members, I am the president of the Manitoba Association of School Trustees, and just before I go into our brief presentation, I want to make sure you know that MAST is a provincial organization. It represents 57 school divisions and school districts within the province. The membership in MAST is a voluntary one, and everyone does belong.

The divisions receive various services and advice from the Manitoba Association of School

Trustees, such as in the area of board training, administration and management and in the area of labour relations.

After extensive discussion and a great deal of soul searching, the members of the Manitoba Association of School Trustees, at their annual convention in March, approved a resolution which did request that the government pass enabling legislation to allow school divisions and districts the option of closing schools for up to eight days.

While we made it very clear at that time that a wage freeze was our preferred method to balancing our budgets, we also included the second part of the resolution that did provide for the utilizing of the days, similar to the government's legislation.

I want to point out that trustees in the province were extremely reluctant to make such a request. They felt, however, that they had to take this position as a result of the reduction in funding to school divisions this year, and by the 2 percent cap on the taxing authority as proposed in Bill 16. MAST considers this a very short-term solution to a funding crisis, and want to make sure that we put forth the view that we would strongly oppose any decision to extend this legislation beyond and past 1995.

Trustees of Manitoba believe that professional development is an essential component of the education system, and because of that we regret that the financial circumstances that we find ourselves in have forced boards to take this action. In order to effectively implement the newly developed curriculum, it is imperative to us that teachers are familiar with curricula and that they receive proper training in order to deliver the program in the classroom.

For instance, I might just comment that the long-awaited and much-needed new math curriculum to be introduced this fall is going to require extensive teacher training in order that it quickly be implemented and translated into the classroom. It seems as we work very hard to introduce more relevant curriculum and introduce technology that is much needed in our classrooms, then professional development becomes more and more important to us, and perhaps more important than it has ever been.

The reform of the educational system that is taking place within the whole system requires that training is needed if we are to meet the needs of the

children in this province. It was interesting, as I was at a session just recently where they were talking about the Japanese system. Japan provides up to 45 days a year in training of their teachers in order that the curriculum be provided in the classroom as the curriculum intended. In these times of educational reform, the need to keep employee groups well informed and prepared to respond to the challenges should be seen by the government as a priority.

In closing, I would just also like to add that I have already heard from many school boards that are worried already about the accrued liability that is going to exist for school divisions when the reduced workweek is lifted. That concludes my presentation.

Mr. Alcock: Mr. Acting Chairperson, I wonder, Ms. Watson, if you could just explain why it is that you felt you needed enabling legislation, why you did not feel that the various districts could go back to the table with their respective associations and sort this out.

Ms. Watson: Most divisions would have been much happier to have been able to have solved the problem at the negotiating table. However, one cannot negotiate by themselves, and we found that we were unable to discuss this issue with our employees. So, hence, we ended up in the position we find ourselves today. It is very unfortunate. It would not have been our first choice.

Mr. Alcock: Mr. Acting Chairperson, can you expand upon that a little bit? There was an attempt made after Bill 16 to solve this problem with your employees and that attempt failed, and that is why you came to the government and asked for the enabling legislation?

Ms. Watson: There were some extenuating circumstances. There were a good number of boards, and I think it was around 27 or 29 at that time, that had already signed three-year collective agreements. Those agreements, by and large, were for 2, 2 and 2, which was comparable for the same wage period, as the government had signed for 6 percent with their public employees. With that many boards already having reached a collective agreement, school divisions, as part of The Public Schools Act under the arbitration process, then found themselves in a situation where the arbitration process in the past has always used

precedent and settlements that have already taken place as one of the main reasons for the settlements that they award.

Mr. Alcock: Had the government not imposed a 2 percent cap, would that have allowed you to meet your obligations under those contracts?

Ms. Watson: That is a difficult question to answer. Many boards, in fact I would say the majority of boards in this province, are very aware of the taxpayers' ability to pay. Most boards were in a position where they were doing their best to balance their bottom line without excessive taxes to their public.

I cannot speak on behalf of every board and say how they would have handled it, but boards were very concerned about passing on high increases in taxation to their people, but some may in fact have gone over the 2 percent.

* (1540)

Mr. Manness: Thank you very much, Ms. Watson. I enjoyed your presentation. Of course the focus you put on enabling legislation, I was not able to do that in the same fashion or as successful a fashion last night when I was putting questions to a number of the presenters, because indeed it is enabling legislation. It is not forced upon any school division and yet, I guess what government was hoping was that local teachers' associations would agree to voluntary discussions with their employers, ultimately, and possibly leading to rollbacks and a renewal of an agreement, possibly at a lower level. In our view, that would protect professional development days, indeed if they were deemed important, like obviously they are.

To your knowledge, did any local teachers' association in any of the school divisions, were any of them prepared to send a signal or message that they were prepared to go back to the bargaining table?

Ms. Watson: I am aware of a couple of situations recently where, once boards did make their decision as to the number of days they were going to take, that the unions, the many employee groups within that division and the trustees have in fact sat down again and perhaps may be looking at some differences to the contract that they have already agreed to.

Mr. Manness: Is that not interesting, Mr. Acting Chairperson. That is exactly what I offered Mr. Olfert, exactly the same process, so I find it—I am

intrigued that at least there is one school division, employees within one school division, who understand that maybe to protect professional development days or for whatever reason, feel it might be a better approach to sit down with their employers again.

Mr. Plohman: Ms. Watson, would you support reducing this legislation to a one-year impact, if Bill 16 was reduced to one year rather than the two?

Ms. Watson: I am sure school divisions would in fact feel comfortable with that. Professional development days, as I mentioned previous, are very important to school divisions, particularly at this time when everyone is trying very hard to make curriculum far more relevant than it has been in the past.

I think school divisions would support that. However, I think the dilemma that we find ourselves in is not a simple one because the financial dilemma is very closely related to the arbitration process, and I know most of you here are quite aware of our position on that, but that is one of the difficulties we face.

Mr. Plohman: Do you fundamentally disagree with the philosophy of paid professional development days for teachers or do you agree with that principle, as it has been the practice in this province?

Ms. Watson: The Manitoba Association of School Trustees has always supported professional development of teachers. I would see them not making a difference or changing that opinion at this time. I have heard nothing that would make me think that anyway.

Mr. Plohman: You are not distinguishing between paid or unpaid. Of course, most teachers, if not all, are engaged in professional development activities, both on days when they are paid during school days that were designated and on other occasions when they are not specifically being paid. Would you agree that that is the case?

Ms. Watson: Yes, that is certainly the case. As you are well aware, many teachers, or most teachers in fact, spend a considerable amount of their private time, whether it is during the summer or after hours, working on making sure that they are up to date and professionally competent in our classrooms.

Up until now, it has always been able to be a combination of the school division supporting them

in some of the professional development, often which is more aimed at goals and objectives that the division is hoping to further thrust within the division. Then often on their own time, they are looking to covering many of their own professional development needs, furthering their education and so on.

Mr. Plohman: Ms. Watson, are you not concerned about the haphazard way that this is manifesting itself, the way divisions are applying this? You have some divisions with no in-service days being removed, others with two, three, four, five and all the way up to eight, that I know of. Is that of concern to you, the way that is being applied?

Ms. Watson: I believe the inequities will certainly show themselves after the end of this two-year period. Our information to date is that 28 school divisions are using between one to 10 days. Nine at this point have chosen not to use any this year but have given some indication that that may be a different decision next year, and we have eight divisions at this time that we have not heard from or still have yet to make their decisions.

Mr. Plohman: It is your feeling that this legislation, if there is no succeeding legislation to replace it, when it expires, all of those divisions would go back to those 10 in-service days, many of them being used for professional development as was the case?

Ms. Watson: As you are probably aware, that is part of the yearly announcement in regard to the school year. That has been in place in this province for many, many years and we would hope that it would be retained.

Mr. Plohman: Mr. Acting Chairperson, to negotiate a solution, which was your preferred route here, existing agreements would have to be reopened in most cases. The Minister of Finance (Mr. Manness) talked about negotiations and said it was his hope. But we are talking about in almost all cases—I think you said at least 28 cases, there was at least a one-year agreement or multiyear agreements in place.

Was one of the problems here the government's failure to give adequate notice so that these kinds of things could be considered in negotiations? If the government had given notice in advance, say, a year in advance, that this was being done, or a number of months, that in fact school divisions could have considered this in the negotiations and

as well teachers: could the results have been different under those circumstances?

Ms. Watson: I am sure everyone would agree that the longer range planning that we can be part of, of course, is always beneficial to all. The sooner we know that we have to deal with the financial crisis that we faced, certainly the better able we are to do that.

Mr. Plohman: I have just a couple more questions, Mr. Acting Chairperson, just to clarify that. In your opinion would there have been successful negotiations? You know, there is the impression being left that there is no way that teachers would have considered negotiating. Could there have been successful negotiations, a different outcome, had the government's intentions been known with sufficient notice so that they could have been part of the negotiation process? Would you write that off as an option that teachers just would not have negotiated, because you did say at the beginning, you cannot negotiate with yourself?

Ms. Watson: The need to know what dollars are going to be available to us is an important one. It is one that trustees have said over and over: just let us know; the sooner we know, the more able we are to deal with the issue. However, some of these agreements were settled in '92 for '92-93-94—a three-year agreement—so they had already been settled well before we were into the situation we are in.

Now, if the unions had been prepared to reopen negotiations, I know boards certainly would have wanted to do that, but then employees have their rights as well. I think because our situation is so closely related to the arbitration process, and because the precedent sets what everyone else then gets to provide to their employees, school boards really did not have many options and employees really did not have a need to come back to the bargaining table either, because they knew the precedence of the past would be what would serve the future.

Mr. Plohman: Mr. Acting Chairperson, the only way it could have applied then would be on a new round of negotiations, new agreements, and that is really what I was proposing here.

I have just one question about reserves. Many divisions have reserves of a substantial nature. Has MAST been encouraging school divisions to use those reserves at all prior to cutting salaries

through this method, or has there been no stance by MAST on that issue?

* (1550)

Ms. Watson: MAST has not taken a stance on that issue. It may be important for me to point out, however, that our auditors, as you likely know, insist on a minimum of a 4 percent surplus within our budget, so firstly school divisions have to try to meet the needs of their auditors by making sure there is a 4 percent contingency amount of dollars in place. In addition to that, many school divisions that I am aware of have already, in order to try to balance budgets, taken the staff contingencies out of their regular budgets and have taken and put those contingencies as allocated surplus.

So it is okay to look at the total surplus within the province; however, I think if you were to ask most school divisions you would find it is not anywhere near that amount, because all the staff contingencies are often contained as an allocated piece within that surplus. Then when you take your 4 percent that the auditors demand and insist on, there is not a great deal. In addition to that though, I can say that I am aware of many school divisions who have totally used their surpluses the last two years in order to survive, so they are going to feel quite desperate in the future.

Mr. Manness: One question, Ms. Watson. Is there anything in Bill 22 that prevents the organization of professional development days or the attendance by teachers at an organized professional development day seminar? Is there anything in this legislation that prohibits the attendance by teachers?

Ms. Watson: There is nothing in the legislation that prohibits it. It is a matter of school boards to offer the professional development, which I know many school divisions will provide the training. It will be a question of whether our employees may in fact feel they wish to attend. I know because the morale in some situations is not what it was, many employee groups have given some indication to divisions that they may or may not be in attendance if programs are provided.

The Acting Chairperson (Mr. Helwer): Thank you very much for your presentation, Ms. Watson.

The next presenter is Ron Tummon. Do you have a written presentation, Mr. Tummon? It has been distributed? Okay. Please proceed, Mr. Tummon.

Mr. Ron Tummon (Private Citizen): I have never spoken publicly before, so this is the first time I have ever felt that there has been a need that I have actually had to come and speak, so if you will bear with me.

I feel that Bill 22 is an unfair piece of legislation. Not only does it impede the collective bargaining process, it will affect the quality of life for many people. I feel that when your employer can actually renovate a lobby and carpet your front sidewalk that there is no need to penalize the employee. We have not received a raise for the last three years and feel that a wage reduction of 3.8 percent is totally unfair.

The implementation of Bill 22 to hospitals and other health care facilities is still unknown. The employer to have the right to determine when and how we will be affected if no agreement is reached in 30 days is ludicrous, considering that they have taken two years to come to the bargaining table, and even then they still do not show up at the times that they say that they are going to be there.

The loss in wages does not only affect the working person but will also impact on pensions. Since many pensions are calculated on the earnings of the people, people will either have to retire now or receive a lower pension later. By losing wages, people will not have money to spend, thereby causing another downward slump in the provincial economy.

Health care reform has already hurt many health care workers, and now Bill 22 is going to get the rest of us. How can we look to the future, plan a family, buy a home, when we are continually on the government's chopping block? Costs are rising, taxes are either increasing or being added to other items, all the while this government cuts our wages, the wages of those who they were elected to serve.

That is my presentation.

The Acting Chairperson (Mr. Helwer): Thank you, Mr. Tummon.

Are there any questions?

Mr. Plohman: Mr. Acting Chairperson, I agree with most of what Mr. Tummon has had to say here and congratulate you for coming forward having not done this before. It is a very threatening experience, perhaps, for some people. I am pleased that you did this on your own accord.

Where do you work?

Mr. Tummon: At Victoria General Hospital.

Mr. Plohman: Do you mind, Mr. Acting Chairperson, saying what you do there?

Mr. Tummon: I am a clerk in the food services department.

Mr. Plohman: Can you tell me what the impact of Bill 22 is on the morale of your fellow employees and yourself as far as you can determine it?

Mr. Tummon: Well, the morale has gone way down since Bill 70 when our wages were first frozen. The fact that nothing has been able to be increased since then, and now the fact that the wages want to be brought down yet again has made people really bitter and angry, especially the people that are getting closer to retirement. They are not quite ready to retire yet because they do not have enough years of service to qualify for a pension—who would retire right now if they could because they do not want to lose money on their pensions in the next little while.

Mr. Plohman: So do you feel that at least the impact on pensions should be considered in this legislation as an essential amendment, for example? I do not know if the government would consider that. I know certainly we would consider it. We would like to see the bill thrown out, but, I mean, failure to do that we would like to see other measures taken to minimize the impact on lower income earners involved. The situation with regard to pay equity, we would like to have considered. We certainly would like to see pensions exempted from this. Have you discussed this, and would you be asking the government to in fact exempt pensions at least from this legislation?

Mr. Tummon: Yes, I would, and I also would like to point out to the Chairperson here, you have corrected us in the audience about speaking out many times. I have never noticed you yet speak to the minister who keeps shouting over the table when other questions are being asked out.

Mr. Plohman: Mr. Tummon, do you believe that there is an effort by this government to put in place a fair taxation system?

Mr. Tummon: I believe that was their original intention, but it does not seem to be happening.

Mr. Plohman: I do not know what you mean by their original intention, but I would certainly disagree that they ever intended to put a fair

taxation system. But that is certainly your opinion, you are entitled to have it.

Do you feel targeted, and do you feel that this is a tax on you, a unique or a special tax on you as a public servant?

Mr. Tummon: Yes, I do. I feel, especially as a health care employee, considering all the health care reforms that are going on, the jobs that are being lost, the cuts that are occurring currently which are affecting the budgets of the hospitals, that we are just getting it from both sides now.

Mr. Plohman: I would assume you have heard of Connie Curran?

Mr. Tummon: Yes, I have.

Mr. Plohman: Do you think that is a worthwhile expenditure on your workplace?

Mr. Tummon: No, I do not. I always thought jobs by the government were supposed to go to Canadians, not out to Americans.

Mr. Plohman: Good point.

* (1600)

The Acting Chairperson (Mr. Helwer): Are there any further questions? If not, thank you very much for your presentation, Mr. Tummon.

The next presenter is Mr. Rick Farley. Is Mr. Rick Farley here? Georgetta Fletcher? Georgetta Fletcher? Kay Hirsekorn? Kay Hirsekorn here? Gloria Wilkes? Gloria Wilkes? Andy Couchman? Andy Couchman? Mr. Ron Kristjansson? Mr. Kristjansson is here. Okay. Do you have a written presentation, Mr. Kristjansson?

Mr. Ron Kristjansson (Private Citizen): No, I do not, Mr. Acting Chairperson.

The Acting Chairperson (Mr. Helwer): Okay, please proceed.

Mr. Kristjansson: Mr. Acting Chairperson, members of the committee, I come before you, like so many people that were here last night and are here today, wearing an awful lot of hats. We are all members of society. I am a worker, obviously. I am a trade unionist. I am a parent. I am a partner. I am a consumer. I am a taxpayer. The list goes on and on.

We are all impacted by this bill. I want to talk today about basically two things: the impact that this bill is having on us as workers, and also I want to touch for a few minutes on what I consider to be some solutions to the problems that we are in in

Manitoba and the problems that we are in in Canada.

First of all, I would like to give you some information about myself. I am a janitor. I am a provincial civil servant. I have been with the provincial government for almost 10 years. I work at the Manitoba Lotteries Foundation at the Crystal Casino down here on Broadway.

The people that I work with, members of the Manitoba Government Employees' Union and people who work at the Crystal Casino, although we are not directly providing a service that is used by members of the public, the money that we raise through the work that we do, we are very proud of the fact that those funds are supposed to be going into health care. It is something that we are all very, very proud of.

The impact that this bill has on myself as a worker means that earning \$24,000 as a janitor, I am going to be out of pocket \$1,500, \$1,600. I have a family, I have four children. Those children range in ages from 14 to 22. The job opportunities for those young people that are members of my family, because of the economy in this province, be it in the public sector or in the private, are zero to nil.

In the climate that we are in today, there just is not any opportunity for our children to move into decent paying, secure and fulfilling jobs. Now, I said that I was a janitor. I have not raised my children, nor has my partner—we have not raised our children to carry on in the jobs that we are currently in, which are jobs without any opportunity for advancement. We have tried to instill in our children a very strong sense that it is important to get an education, it is important to get some training, and that is where the good jobs will lead.

Well, members of the committee I am sure are well aware that in today's economy, in this province, there just are not any good jobs. Three of my four children that are of working age, either part time or full time, are working in McDonald's type jobs. There just is not any opportunity for my children and the children of hundreds of thousands of Manitobans to move into jobs where they are going to have any kind of security, any kind of fulfillment and any kind of enjoyment. They are just not there.

How this bears on Bill 22 is that by attacking public sector workers, like myself, be they janitors,

health care providers, professors, teachers, any of the fields that we work in, by attacking us, we are not solving the economic problems that this province has.

The minister last night was talking about, where is the answer, where is the money going to come from, the fact that so many millions of dollars when we are laid off for 10 days throughout the year, and that money is not being recirculated in the economy.

The minister referred to \$100 million coming out of, I think it was, Thompson. It kind of seemed to me, anyway, to be equating that with \$5 million or \$6 million in Thompson that was not being recirculated because of the layoffs that we are facing. I think, possibly, the point that the government, and maybe the minister, is making is that when that \$100 million comes out of Thompson, or \$200 million or \$300 million or whatever the figure is in taxes, comes out of Winnipeg or anywhere else in the province, it is reinvested in the province. It is reinvested in the form of services. It is reinvested in the form of jobs and taxes. Because whether we are earning \$6 an hour, \$5 an hour or \$50 an hour, we are all paying taxes.

So I do not think that just looking at reducing our wages, laying us off either for 10 days, 20 days or permanently—100,000 public sector workers—is going to solve our problem. I just do not see it.

In talking to my family and in talking to my co-workers, and, yes, in talking to people that I work with in the trade union movement, the impact of this bill, personally, emotionally, on us is one of fear, apathy, frustration, anger and confusion. We do not see how this is going to solve the problem that we have here in Manitoba.

Now, with all due respect, as I said, I am a janitor. I do not make any pretensions to being an economist or to being a politician or to being any kind of wizard, but it seems to me that the only growth industries that we have in the province of Manitoba are: No. 1. food banks; No. 2. unemployment; and No. 3. welfare. Those are the growth industries in the province of Manitoba today.

Now if we want to seriously attack our deficit and our debt and the other societal problems that we have in Manitoba, then, darn it, we better look at getting back to what we used to call—I am into my mid-40s—a progressive income tax system where

those who made more money paid more income tax. Seems pretty fair to me. If I earn \$24,000 a year and the people sitting around this table are earning anywhere from, I do not know, \$40,000 to \$60,000 a year, it seems pretty straightforward to me that they should pay more damn income tax regardless of what the wage is. If I am earning six bucks an hour, I should pay according to what I am earning. I am contributing to the province. I am contributing to the economy, and that is what I should be paying.

The GST, the PST, all of these kinds of taxes are just taxes that do not take into consideration how much the working person, be they a single parent, a family unit, whatever they are, is earning. I really think that all of the provinces right across Canada have really, including the federal government, got out of whack on this one. The current provincial government is proud of the fact that over the last few years they have not introduced an income tax, but, I mean, other taxes have gone up, other expenses have gone up, but the income tax apparently has not gone up.

Now, we have got a lot of pretty wealthy corporations in this province that are, according to the Free Press—I mean, maybe I am a janitor, but I can read—making big profits. Banks, insurance companies, what little industry we have left in the province are making profits. I am not suggesting that we should tax them to the point where they are driven into the ground.

I am suggesting to you, to the committee, that maybe these people should be paying what I would consider to be their fair share of the darn taxes. I do not think that is a heck of a lot to ask. I do not think that is flaming radicalism. I do not think it is head in the sand. I do not think it is any of those things. I think that is just common sense, and I think it is fair.

The other thing that we have got to do is look at the federal government, and I know we all like to bash the federal government regardless of what province we are in. You know, darn it, these people in the federal government are the ones that control the interest rates through the Bank of Canada. Now we have got to bring the interest rates down, because when the interest rates come down, the money that we owe on our debt comes down.

I know that they tell us that the Bank of Canada is independent and blah, blah, blah, and there is nothing we can do about it, but I seem to recall a Conservative Prime Minister, when I was a kid, sacked the president or whatever they call him, the chairperson of the Bank of Canada, because he would not do what the hell they wanted him to do. So now I think that since your government here is on friendly bases with the government in Ottawa, maybe you ought to be talking to them about the interest rates.

* (1610)

And the third one, the most important one, is employment. We have hundreds and hundreds and hundreds of thousands of people in Canada and thousands in Manitoba that are out of work, and I am not talking about McDonald's-type jobs. I am talking about meaningful employment. We do not have really any manufacturing business left. The needle trade is gone; this is gone. Hell, they took Tupperware out of Morden.

We just do not have it anymore. I am not going to stand before this committee and say that I have the answer and exactly what it is the job strategy should be, but, darn it, I would like to hear somebody talking about full employment. That used to be, regardless of what political party you came from, 15 years ago people talked about full employment. Now, what they talk about, now what they say is, hell, unemployment is only 9 percent.

Well, Jesus, you do not have to be a—pardon my language—serious mathematician to figure out that 9 percent of 27 million is one heck of a lot of workers out of work. If they are out of work, they are costing us money, all of us collectively, because they are not paying taxes. They are not buying automobiles; they are not buying refrigerators; they are not buying homes; they are not working. Because of being unemployed, and let us face it, being at work, being productive in society is like about 99 percent of our identity regardless of our gender, maybe 97 percent, but a big part of our identity is being at work.

I really think that the government has really, really got to get an oar in here, folks, and start talking about job strategy, start talking about getting people back to work. Just hammering away at, I think the figure is that I heard from the government and through the union, yes, through the union, was

that what we are going to save is 15 million bucks by taking us off the job for 10 days a year.

Other speakers have spoken of the impact in terms of the services that they provide with taking us out of work. All I want to say is 15 million bucks on a debt of, I think the minister said \$700 million, ain't exactly a big kettle of fish. It is just—I am mixing my metaphors here—a drop in the bucket.

I think if we really want to address the deficit, we have to look at the federal government bringing down those interest rates. We have to look at putting people back to work, seriously look at putting people back to work, and we have to put back the old progressive income tax system where those who were earning more money pay more income tax.

And that is the end of my presentation.

The Acting Chairperson (Mr. Helwer): Thank you, Mr. Kristjansson. I have some questions for you.

Mr. Manness: Mr. Kristjansson, you bring up some good points. First of all, you talk about a progressive income tax system. Certainly this government has—

Mr. Kristjansson: Excuse me, I am a little hard of hearing so could you speak up, please.

Mr. Manness: Is my mike on?

Mr. Kristjansson: Yes, now I can hear you.

Mr. Manness: You talk about a progressive income tax system, and, of course, our government has done nothing to dismantle—and some would say the most progressive tax system in Canada—to dismantle it, so we still have amongst the most progressive tax systems in Canada.

Mr. Kristjansson, would you advocate something like the people of the province voted on in the '70s, when you and I were much younger, and that was a policy that was talked about by the New Democrats, at the time it was called 2.5 times 1, that nobody, regardless of what their source of income, should be able to earn more than 2.5 times the level of the lowest employee. Would you subscribe to that theory? Of course that would be done through the income tax system, a very strict progressive tax system. Would you subscribe to that approach?

Mr. Kristjansson: You know, Mr. Minister, I saw you try to box people in on these questions last night, and I am just not going to get boxed in on it.

What I am telling you is we have to have a progressive income tax system. I said, I was not an economist, I am not a Finance minister and I am not a politician. What I am saying is that whatever the formulation is of the progressive income tax system, when we had one or, as you pointed out, when you and I were both younger, those that earned more money paid more money and we do not have that now. It is not happening now.

Mr. Manness: I submit it is much more progressive now than it was then because—anyways moving on, Mr. Kristjansson, are you aware that we have the highest corporate tax rates in all of Canada in the province of Manitoba?

Mr. Kristjansson: I do not believe that.

Mr. Manness: All the tables, all the provincial comparisons will prove very clearly in black and white that we do have the highest rates of corporate tax.

Mr. Kristjansson: I am not going to argue about the corporate tax with you, but then all that says to me is that in terms of the other provinces in Canada and the federal government, what they have been doing, because there have been mostly Tory governments in power for the last 20 years, is they have been lowering the corporate income tax rate, because now in Canada, whereas 20 years ago they were paying anywhere from 15 to 20 percent, they are now paying less than 10 percent. If ours are paying 8 percent and that is higher than what they are paying in Ontario, Alberta, Saskatchewan, you know, wherever it is, it is still too darn low.

Mr. Manness: I would ask Mr. Kristjansson, if you are aware that even though we have the highest rates as a province in Canada that we still bring in \$100 million less—less—today in the corporate income tax line in Manitoba, roughly \$100-plus-million than we did several years ago? Would that suggest to you that the profits are not there to be taxed?

Mr. Kristjansson: I do not want to be flippant, Mr. Minister, but what that suggests to me is that you are not vigorously collecting the taxes that are out there. I do not think that we are going after those people that are supposed to be paying their taxes. I think there are probably too darn many loopholes in the tax law that allows them to say, this year they can get their economists in and their bean counters in and they can write off their taxes. I think we are

probably not vigorously going after the taxes that are there that we could be collecting.

If I do not pay my taxes, you know, someone is knocking on my door pretty fast, but then I have a wage, an hourly rate.

Mr. Manness: Mr. Kristjansson, I will not talk about interest rates because you and I agree on that point. You complete your presentation on full employment. If the government is not there to employ everybody, like I have seen in other planned economies, obviously then it depends upon the private sector in a very significant way to create additional employment. How will they be able to create additional employment at the same time we increase the taxation on business significantly?

Mr. Kristjansson: Well, Mr. Minister, I think the reason why corporations are not starting up in Manitoba or in a heck of a lot of other provinces is because your government and the government in Ottawa went along with free trade, and they can pack up and go down south, either to the southern United States or to the maquiladoras in Mexico or probably, as we are now speaking, maybe they are moving into Argentina.

I do not think that the reason why corporations are not setting up here in Manitoba is related to our tax structure. I think the reason why corporations in Manitoba are not setting up is simply because of the fact that we have not provided the infrastructure to make it available for them to set up. I am not talking about expanding our public sector.

I am talking about what they are doing in Europe and what they are doing in Asia, and I do not think we are really providing the—not the economic climate that you guys talk about, no income tax, no this, no that and not the other thing. In point of fact, in Europe they are setting up because they have a trained workforce. We heard a lot from education last night and today. We have a decent health care system. I mean, you take a look at what is happening in the United States right now, they are trying to change their health system to ours because they know darn well it costs them too much money.

* (1620)

Ms. Friesen: I think you are the first of the people who work at the casino who have come to speak to the committee, and I wanted to ask you about the way this will impact on the casino and whether—for

example, how many days off or lockout are you expected to take in your employment?

Mr. Kristjansson: We have never got a clear answer on that yet. We keep hearing about the plan coming down, and some of us have got our 10-day plan and some of us have not.

Ms. Frlesen: Is the casino being considered an essential service? Do you know if it is in that scale of planning?

Mr. Kristjansson: I have not heard anything to that effect.

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

The next presenter is Mel Willis. Do you have a written presentation, Mr. Willis?

Mr. Mel Willis (Private Citizen): No, I do not, Mr. Acting Chairperson.

The Acting Chairperson (Mr. Helwer): Okay, please proceed, Mr. Willis.

Mr. Willis: Mr. Acting Chairperson, my name is Mel Willis. I am a plumber. I am employed at the Selkirk mental hospital. I address this committee not solely for myself today, but for the people that I represent union-wise in Selkirk—well, Selkirk and the whole of Manitoba actually.

The majority of these people are lower-paid workers—housekeeping staff, dietary. Consequently, they are going to feel the impact a lot more than I am as a plumber, but nevertheless, these people are—I have heard over the past few presentations the word “morale.” Unfortunately, there is no such thing as any morale anymore. At one time you were looking forward to going to work, you enjoyed being there. I am not saying that we were paragons by any means, but we enjoyed being there and doing the job and doing the services for people that really need them, which are the mentally handicapped people.

Unfortunately now, because of this 10-day layoff and because of the fact that the majority of people are sitting at home thinking, well, if I go in in the morning, am I going to have a job or am I going to be laid off? I mean, I have heard this time and time again, and I hear it every day. People say, well, what is happening? They do not mean what is happening with your life. They mean what is happening with this 10-day layoff, what is happening with the layoffs in general?

We hear about the Brandon mental hospital closing down, so everybody starts to think, oh-oh, what is going to happen if these people start coming over and wanting our jobs? It is the devastation that it puts on the grassroots people in Manitoba that is the sin in this legislation, the people that built this country into what it is.

I am a landed immigrant and I came to Canada—it was my preference to come to Canada, thinking that it was a great country. I am starting to wonder if it really is the great country that it is made out to be. I mean, we cannot keep going on and bashing away at the people that are the backbone of this country. I am not going to argue about what we can do about it. All I am saying is that we have got to start thinking about the people that have made this country what it is today. It was one of the best countries in the world, but we are starting to wonder.

The people that I represent in the hospital, as I say, are the lower-paid workers. They are lucky if they earn \$20,000 a year because not all of them are full time, a lot of them are part time. Consequently, this impacts on them much greater than it does on nurses or tradespeople or anybody else. So, in consequence, I think that this is morally wrong to try and make these people pay for what has gone wrong with the structure of the Manitoba government, and that is my presentation.

Ms. Frlesen: Thank you for your presentation. I wonder if you could tell us something about the conditions that the people you work with are facing beyond the hospital as well. Because one of the things that I have been hearing is the impact on people of the wage levels that you are talking about, the impact of, for example, of the new daycare legislation, you know, the impact of the new taxes on property and the so-called contributions this government claims are not taxes. I wonder if you could give us a sense of economic context in which this is all taking place.

Mr. Willis: Well, obviously, if these people, say there are people earning \$20,000 a year. They are going to lose 5 percent of that, plus the fact that if they are lucky enough to own a home, they are going to be paying more on property tax. I should point out a lot of these people are single parents and that the prospects of daycare are horrendous.

It is going to get to the stage where they cannot afford to come to work because it is better for them

to go on welfare. I am not exaggerating when I say that some people are finding it so hard now, some of them have got to have the second job trying to make ends meet.

Ms. Friesen: We had earlier, yesterday, a presenter from the Brandon Mental Health Centre who spoke about the closure of the training programs, and he thought that it applied also perhaps to parts of Selkirk, and I wonder if you could give us an idea of whether it does. These were training programs where people came in from the community, from community homes, and they were paid \$1.90, \$1.60 a day, and also gained training as well. Is there a similar program at Selkirk? Has it been cut?

Mr. Willis: There are similar programs. I am not fully versed with these programs, but obviously what is happening now, the trend is towards deinstitutionalizing people and putting them out in the general public. So, consequently, those programs that were there are overflowing because there are just too many people out there to bring in to try and retrain.

Ms. Friesen: I was trying to set the economic context, but I also want to set the labour context of this, too. One of the things this government did over the last couple of years is in fact to eliminate approximately 1,800 civil service positions. That creates a certain climate of labour relations. Could you tell us how specifically that has had an impact in Selkirk, both at the hospital and perhaps in the community?

* (1630)

Mr. Willis: Community-wise there have been people laid off in consequence. Selkirk being a small area, they have had to search for work in Winnipeg, some of them have even had to up their roots and go out to other areas. The financial impact, well, it is hard to judge at present, although there have been quite a number of layoffs. I think where you do see the impact is in the number of houses gone up for sale. Consequently, there have to be a lot of people that have been forced to move away because of the climate for employment there.

Ms. Friesen: Do you have any sense or any specific knowledge of the impact on the local economy, on businesses, for example?

Mr. Willis: Yes. There have been several big businesses closed down over the last period. I

personally do not live in Selkirk. I live in Winnipeg, but obviously working there I am quite involved with Selkirk, and there have been quite a number of businesses closed down. I foresee possibly a lot more in the very near future.

Ms. Friesen: One of the expressions you used struck home with me because I have heard it now from so many people, and that is that sense of people coming to work and essentially saying, what has happened, who is gone, who is going next? Whether you are looking at St. Boniface Hospital or the Misericordia or many areas of the public service, it is that sense.

I think there was another presenter earlier today who spoke about the loss of sense of security in the future, of economic security. As a landed immigrant, as a recent immigrant, I am sure you feel that too, that sense of how can I plan for the future, having made some very dramatic plans I would think in your own life?

Could you tell us, in a hospital setting, how that affects work and how it affects the patients? Do you have any sense of that?

Mr. Willis: Yes, as I say, you get the sense of it going to work. At one time, Selkirk was a very close-knit community because of the fact that predominantly the hospital was the biggest employer in the area. That has gone—literally disappeared. You do not have the same comradery.

You have people suspecting other people of trying to get one-upmanship. As I say, the whole morale structure has literally collapsed. It is sad to think that a community that was a thriving community, still is a thriving community, I am not trying to do it down, but it has lost something over this past little while.

Ms. Cerilli: Am I understanding correctly that you and the staff that you represent are providing the food services and custodial services for the residents in the centre?

Mr. Willis: Right. Yes, that is true.

Ms. Cerilli: So how is the service being affected by the layoffs? Who is providing that service on the layoff days, or is it meaning that there is more part-time work?

Mr. Willis: Well, no, it does not mean that there is part-time work. What is happening now, they have started what they call cross training. Unfortunately,

the people that instituted this initially said that if people did not cross train, then they were out.

I sit on the labour management relations committee, and we clarified that that was not so. Nevertheless, that was said and, unfortunately, it created an awful shindig at that particular time.

This is what I am saying, I will go back to the morale stage again. I mean, it does not matter which way you turn, management, whether it be out of frustration or whatever, are creating even more avenues for depression in morale.

The Acting Chairperson (Mr. Helwer): Thank you. Any further questions? I thank you for your presentation, Mr. Willis.

The next presenter is Mrs. Kelly Ivory. Is she here? Do you have a written presentation, Mrs. Ivory?

Mrs. Kelly Ivory (Private Citizen): No, I do not.

The Acting Chairperson (Mr. Helwer): Okay, please proceed.

Mrs. Ivory: Good afternoon, my name is Kelly Anne Ivory. I am a registered psychiatric nurse, and I am proud to say I am member of the Manitoba Government Employees' Union.

I plan to take a few moments this afternoon to express my grave concerns regarding Bill 22. I hope to enlighten you on exactly how this bill could have a serious negative impact on a portion of the youth of Manitoba.

If Bill 22 is to become legislated, this shall undermine the entire process and the true definition of collective bargaining. We have seen this undemocratic style of government before, noting the example of Bill 70 in 1991. Once again, this present government is blatantly sabotaging the rights of workers of the collective bargaining process.

This government, once again, has failed to meet their elected responsibilities while under a mutually agreed contract. I can only ask the following questions. Can this present government be trusted? Where else will this government undo or change their minds with legislation? How far will this government go and what rights will labourers have?

My second area of concern is regarding the availability of services to the mentally ill adolescents of Manitoba. I am presently employed at the Manitoba Adolescent Treatment Centre. We

are a psychiatric hospital providing an essential service to those mentally ill adolescents in Manitoba.

The staff are extremely dedicated and committed to the care of these adolescents. Due to the high stress of our work, last summer some of my co-workers inquired about taking leaves of absence. Their requests were denied, stating that this would have a serious effect on programming and, potentially, safety issues for both clients and staff.

With the drafting of Bill 22 this year, our current management stated that no requests for leaves of absence would be denied. What happened to the past concerns regarding programming? What about the safety issues?

The quantity of services have been reduced. Previously, in past summers, MATC has offered five days of programming to both in-house and day clients. Now, this summer of '93, with some staff taking a voluntary reduced workweek, our summer program has been reduced to three and a half days.

At MATC we were fortunate. The workers were given a choice. The reduced workweek was done on a voluntary basis for this fiscal year only. Sympathy goes out to our fellow members of the public sector who have no say. This Bill 22 will strip them of the right to choice. That is not to say next year, in 1994-95 fiscal year, our management may impose this bill upon us, which raises further serious concerns. This would mean further wage reductions for all the staff at MATC, and currently the staff are underpaid as much as 15 percent in comparison to other staff in similar facilities.

Not to overlook the impact the reduced workweek would have in respect to program delivery and treatment issues for the mentally ill adolescents and their families. This is clearly evident when programming this summer has been reduced by 1.5 days under a voluntary reduced workweek. An imposed reduced workweek would only mean that there would be inadequate staffing for the very needed individual treatment that these adolescents require, and this would not be available to them.

I would suggest that if Bill 22 was to be implemented at the Manitoba Adolescent Treatment Centre that a name change would be in

order. Drop the word treatment and replace it with maintenance.

In closing, once again the youth of Manitoba must bear the brunt of numerous government cuts. You are not cutting services. You are cutting and robbing the very future of Manitoba. The public sector is also singled out to suffer for past mismanagement and to eliminate workers' rights to fair and binding collective bargaining. Take caution, my fellow citizens of Manitoba, this government cannot be trusted. Thank you.

Hon. Harry Enns (Minister of Natural Resources): You use the words "choice" and "voluntary" on several occasions during your presentation, and I want to indicate to you that I do not like Bill 22. Even at this late stage, I am prepared, and I would use all my influence on my colleague the Minister of Finance (Mr. Manness) and the rest of my government, to drop Bill 22 right now. But I have, at the same time, a great deal of respect for most of you that have made presentations here. You read newspapers. You watch television. You know what is happening around the world, in the country.

* (1640)

You will understand, you fellow workers, whether it is employees of Canadian Airlines, for instance, that voluntarily rolled back their salary by 5 percent in addition to agreeing to pool monies together to put \$50 million into a fund to try to keep their job security. I have employees in the area that I am more interested in, forestry, that are represented by a strong international woodworkers union that voluntarily agreed to a five-year rollback in salaries to try to keep their job security in Pine Falls.

You read the newspapers like all the rest of us. You know what Liberal Premiers are doing to teachers in Newfoundland or New Democratic Party Premiers are doing to the civil service, right now as we deliberate this bill, in Ontario. Beyond that, you know, and most of you are not immune to the fact that in a totally controlled government-government, cradle-to-grave type of planned economy, just what kind of worker rights and benefits have been achieved in Eastern Europe, not to speak of the Soviet Union? [interjection]

Well, let us drop this bill, and this really would be the question I would make to Mr. Olfert and make a deal and voluntarily agree, use the word that you use, choice, and agree to the Minister of Finance's

(Mr. Manness) demands for the kind of savings that we need to have in the public sector, a 5 percent rollback in your wage package, period. That would be negotiations, but does it not—I do not want to insult your intelligence. Why is it that only in the public sector—workers in all other stages of our workforce have seen that writing on the wall, except the public sector. They have to be legislated, whether it is by Liberal Premiers, whether it is by New Democratic Premiers or whether it is by Conservative Premiers, and that is a tragedy. Collective bargaining could continue right from this moment on if we agree to the needs of this province.

The Acting Chairperson (Mr. Helwer): Okay, Mr. Enns. Thank you. Did you have a comment, Ms. Ivory.

Ms. Ivory: I am sorry. I cannot hear you, Mr. Acting Chairperson.

The Acting Chairperson (Mr. Helwer): Are there any further questions?

Mr. Plohman: Could you just give us a little better understanding of the impact that this would have on a voluntary basis for this year on the services to the individuals that are clients of the Manitoba Adolescent Treatment Centre, besides that there is a three and a half day—I understand the summer program is cut from five days to three and a half?

Ms. Ivory: That is correct.

Mr. Plohman: Is there a rotating time off? Is the centre going to be shut down when certain people would not have any service whatsoever? Will the staff be reduced to the point that would put some clients at risk? What are some of the impacts that you can see, and also as it might apply to a compulsory shutdown that could very well be the result of next year's impact of this bill.

Ms. Ivory: The answer I can provide is that in past, past history has shown that the number of referrals and admissions that we have during summertime does decrease. We do close down our assessment unit for four weeks, but with the voluntary reduced workweek and only a small percentage of the staff taking that, we have had to extend that and close it now for five weeks. So for five weeks the assessment unit will not be open, and those services will not be available to the needed adolescents and the families of Manitoba.

Also, I have no idea, but I can only have serious concerns on how this is going to further impact.

The reduced workweek has just begun at my workplace, and already I see an extra week being tagged on. I have only serious concerns for how this is going to have implications for the fall and the wintertime because the staff are taking their leaves throughout this year.

Mr. Plohman: Would I understand correctly that during that five-week period, there would be no assessments done? Does that mean that people, and I take it you are dealing with people in crisis in many cases, that people who are in a very volatile or crisis situation will not be able to get help from the Adolescent Treatment Centre during that time?

Ms. Ivory: It will be available on a very limited basis is my understanding as management has put it towards me.

Mr. Plohman: Okay, and the voluntary result in your workplace was sufficient to achieve the savings that were targeted. Is that your understanding, that is why there is no compulsory additional requirement for shortened workweek?

Ms. Ivory: The numbers that were given did not just have—they had all management people, middle management and rank-and-file members who had voluntarily taken this leave, and they had saved approximately \$50,000, but no, our deficit for our centre at this time is not down to zip, so it was not sufficient enough. This is where the fear for my co-workers is, that next year is management going to take this legislation and impose it upon us?

Mr. Plohman: Yes, and ultimately imposed by the minister here. Were all your staff, your colleagues, subjected to the wage freeze last year, Bill 70? Were you subjected to that? Was that part of the impact on your situation?

Ms. Ivory: No, Bill 70 did not affect us directly, but any sort of wage freeze I know my members would be strongly against, as I had stated earlier. We are as much as 15 percent behind where other staff are in comparison to similar facilities.

Mr. Plohman: Obviously, this is the subject of some discussion at your workplace. Is it something that—you know, the move by the government to bring in Bill 22, has that affected the general productivity and morale of the staff to a great degree, or would you say marginally or a large degree, or how would you characterize it?

Ms. Ivory: I would say significantly. The only reason, my understanding that most of my co-workers did take a voluntary reduced workweek

for this year only was to avoid layoffs. I think the morale—people are fearful. People are fearful for what is going to happen to the adolescents for next year and what is going to happen to themselves. We are a very dedicated group of people, and we are very concerned of how much more the youth of Manitoba, how many more burdens they have to take.

Mr. Plohman: Do you have any suggestions for alternatives for the government? We have given them many of them, many during the course of the legislative session. People presenting before have given a number of alternatives. Do you have any specific alternatives that you would like to put forward?

Ms. Ivory: I do not feel comfortable at this time, but I wish that the president of my union was given that opportunity to speak on his suggestions on how the mismanagement of this government has happened, and I wish Mr. Offert had the opportunity to address those, because I feel he could have addressed those much better than myself.

The Acting Chairperson (Mr. Helwer): If there are no further questions, thank you for your presentation.

Our next presenter is Mr. James Stewart. Is he here? If not, Mr. Ray Benoit. Do you have a written presentation?

Mr. Ray Benoit (Private Citizen): No, just a few notes here.

The Acting Chairperson (Mr. Helwer): Mr. Alcock, did you have a question before we start?

Point of Order

Mr. Steve Ashton (Thompson): Mr. Acting Chairperson, just on a point of order. I note that it is almost five o'clock, and there was an agreement to recess at five o'clock. I would hope that it would be the will of the committee to go past five o'clock to give this gentleman the full 20 minutes he requires.

The Acting Chairperson (Mr. Helwer): Yes, if necessary.

* * *

Mr. Benoit: I would like to take the opportunity to thank the committee for allowing me to speak. I am very new at this. I have never done this before.

Bill 22 affects me greatly. Firstly, I am a member of an essential service, I work for the Liquor

Commission, and I guess it is an essential service in the sense that we are a revenue producer. But we are not producing a certain amount of revenue right now because I am here, compliments of the government. I am taking my Code 57, is the term that we use, so I am not at my store working like I should be working, taking care of the customers and seeing that the shoplifting does not go on.

Anyway, I am here to speak on Bill 22. Bill 22 affects me economically. That is why I am here. I think that is why most of us are here. I am a sole wage earner in a family. I have two children. I have a wife. I have a mortgage. I have a car. I have 1.3 dogs and whatever, and 2.3 cats and whatever, but I have to support everybody. This is an impact upon me in the sense that my purchasing power is now reduced. I am reduced 3.7 percent or 3.8 percent, which is now 3.8 percent that I am not going to be spending. I do not have to tell this committee, in regard to the ramifications of the impact of money not going into the economy. It has been said 100 times, 1,000 times before and I am not going to insult your intelligence to try and explain it to you. You already know this.

* (1650)

It also affects not only myself but it affects people around me. It affects in the sense of service cuts to individuals. I am doubly penalized because, first off, I am an employee of the government so I am being penalized; secondly, I am a taxpayer. I am also being penalized because I am losing services that my taxes are supposed to be looking after and paying for.

I see that large corporations, to my feeling, do not seem to be paying their fair share as opposed to what the little people are paying right now. There was a speaker earlier on that had mentioned, and you yourself, the minister, had mentioned that we have the highest corporate tax in the country. Well, maybe we do but that does not necessarily mean the corporate tax is as high as it should be. It should be higher across Canada and they should start paying their fair share.

I think after you brought down the budget, Mr. Manness, I heard you on TV being interviewed and you made a comment that almost floored me. You stood there and you said, those of us who make \$50,000 and less should share the burden. I stood there, and I was just shocked. I was just shaking, and I could not believe it. My wife was looking at

me and she says, what is wrong? I said, I am going to have a stroke here.

Firstly, how dare you even consider yourself close to that category, because you do not make under \$50,000. Secondly, should it not be, all Manitobans should share the burden? Not just us, everybody should share the burden. That is not what is happening. It is the little guys and the little people that are sharing your "the burden." I do not think that is correct.

To me it is important that a government that is in power deal with integrity, they have integrity. You are elected by us. We expect integrity from you. To me, what you have done with the collective agreement is not integrity.

The Labour Relations Act, you have probably heard this and maybe you have probably heard it a hundred times already, but it is right from The Labour Relations Act, and it says: Whereas it is in the public interest of the province of Manitoba to further harmonious relations between employers and employees by encouraging the practice and procedure of collective bargaining between employers and unions as freely designated representatives of employees.

Well, basically, Bill 22 is a prescription for disharmony in labour relations throughout the province. We will remember that this government was responsible for destroying free bargaining. To me, this is akin to a football game. You are playing a football game, and you set the rules up, everything is all set, and you field your team, you have your game plan. But, when the opponents start getting close to your goal line, you move your goal line. When they are going to kick the field goal, you move the field goal back. But when it is you coming in there, you tend to move the goal line closer to you. You change the rules in the middle of the game. You say to yourself, if you do not like it, is my ball, I am going home.

I do not think that is fair. I have enough integrity that when I have a collective agreement with you, I will hold up my end of my collective agreement and my bargain to the best of my ability. I will endeavour to do that.

If I negotiated a 3 percent raise with you, and then all of a sudden the cost of living went up 15 percent, I sure as hell would probably be at your door screaming, well, I sure would like to renegotiate, but I know damn well you would

say—pardon me, I am sorry for swearing—but you would say, no, I am not going to negotiate.

You, on the other hand, have the power to say, we will negotiate with you, but when it suits us, we are just going legislate anything away from you.

Now, tell me, does this Labour Relations Act mean anything to anybody in this room? To this government, does it mean anything to this government? If it does not, then strike it out of there. Just say, why bother negotiating? I will tell you something, I am afraid now to go out and buy anything, to do anything now, because I cannot trust this government.

I cannot trust this government to do anything. I cannot trust them to say that I am going to have my job. I am afraid to go out and even buy a new stove in fear that I am going to get cut more, and then I am going to lose some money. Then someone is going to say to me, oh, we do not need you anymore. You are gone. You are history. You do not count. But I do count, because I am a taxpayer. When all is said and done, when the dust clears, we are the ones that put you in here, and we are the ones that can put you out of here.

As far as integrity, I think that you, the government, have not had integrity. I feel that anybody in this government who supports Bill 22 is lacking in integrity. I think that if you want to vote on this bill, you let people vote their conscience and just say, if you want integrity from the people that you are hiring, you are going to have to earn the integrity and the respect of the people.

So that is all that I have to say. Thank you very much.

Mr. Manness: Mr. Benoit, I would ask only one question. You talk about the worry about coming to work and not knowing whether there is going to be a job there or not. I fully understand what you say, but can you tell me, given the alternative, which was to remove another 500 positions out of the civil service, how that would have been a better solution? Because that was—[interjection] In answer to the question from the audience, that was one of the few options. Surely this is a better solution.

Mr. Benoit: I will respond to that. I was strangely surprised that when Peter Olfert was up here and he was giving some facts—[interjection] Excuse me, excuse me, it is mine, thank you. I was amazed at how silent you were when Peter Olfert

was up here, extremely silent, not one question to Mr. Olfert, not because of the time restraints. I think that you were afraid to talk to Peter. I really do.

Mr. Manness: You ask Peter. He will tell you—

Mr. Benoit: Okay, now this is my response. My response is, you had said that you would implement Bill 22 or you would bring Bill 22 in, in lieu of layoffs. You are still laying people off. You have proposed Bill 22 and you are still laying people off. Why should I believe you? You had a collective agreement with me. You had a collective agreement with me which I signed in good faith and said to you, I will live up to my terms of the collective agreement for three years.

I will do everything that I have to do in my job. I will take the pay that you give me and I will do my job. Right? Now you said to me, you agree to Bill 22 and I will not lay people off? Why should I believe you? You have lied to me already because you signed the collective agreement with me which you have not honoured. So why should I sit here and believe you?

Mr. Manness: I have honoured it.

Mr. Benoit: You have? How can you? How can you? I have a contract that says that I get a wage increase and I get wages and a set wage, and now that is going to be no more if you are going to bring in Bill 22. So how can you sit there and tell me that Bill 22 is not taking away my collective bargaining rights? Can you tell me that?

Floor Comment: And your seniority rights.

Mr. Benoit: Tell me. You explain to me how it is not infringing on my contract.

Mr. Manness: Oh, seniority rights. You see, Susan is right, seniority rights. She knows we have—

Mr. Benoit: No, no, I am waiting. I have a question for you, do you want to not answer it?

Mr. Manness: We will let Ms. Friesen . . .

The Acting Chairperson (Mr. Helwer): Ms. Friesen, do you have a question?

Floor Comments: Oh, oh.

Mr. Benoit: Typical, right, typical.

* (1700)

Ms. Friesen: I did want to follow up on my earlier point. I noticed that there was a tendency for the Chair to recognize the minister first, and we are

establishing a pattern there, and I particularly watched the minister this time to see if I could see the hand raised before mine. While, Mr. Acting Chair, I do not want to call into disrespect your position, I do wonder if there is another way of signalling you that perhaps I should be aware of.

Point of Order

Mr. Manness: On a point of order, I am sponsoring this bill. I am sitting in the chair, Mr. Acting Chairperson, and I have always seen where the minister in every—when I sat on opposition side, by the way, the minister sponsoring the bill always had the first option to ask the riser, always, under every condition.

* * *

The Acting Chairperson (Mr. Helwer): Okay, Ms. Friesen, do you have a question for the presenter?

Ms. Friesen: Yes, I wanted to ask the presenter about the political context of this bill. I know that this presenter is concerned about the collective agreement and the nature of the collective agreement. It seemed to me that the kind of fears that people are talking about are stemming from what appears to me to be a specific plan on the part of this government, that first of all you get rid of 1,800 positions. You bring in abolition of FOS, you establish wage freezes. Then you come in with what clearly is a breaking of the collective agreement. I wonder if it does seem to you that that is a planned and a series of political steps which have brought us to this situation?

Mr. Benolt: I believe it is very planned. I believe that this government has done nothing on the spur of the moment. They know exactly what they are doing. They know exactly what they want.

What I feel they are doing is they are totally undermining the entire civil service. They want to privatize everything around here, thinking that that is the answer. But when we start realizing about privatizing, we are not here to make money, we are here to deliver a service.

I work for the Liquor Commission, and we deliver a good service. We do good work, very good work. I do not turn around and serve people if they are intoxicated or under-aged or what have you. I have no profit motivation to serve these people. But you get private enterprise in there, and the first thing that comes into mind is profit. You have got to

have the almighty dollar. Once they have that almighty dollar, they will do anything to get that almighty dollar, to the point of serving minors, impaireds and what have you.

So, to me, it will no longer be called the Liquor Control Commission.

Ms. Friesen: I appreciate your putting on the record the public responsibility involved in your work, not simply the profit centre that this government tends to look at it as.

I wanted to ask you, I think you probably heard in the time that Mr. Olfert had, he talked about the International Labour Organization and the reference that was made to FOS by the ILO, and the Premier's response, that the ILO simply is not relevant to Manitoba.

I wondered if you would have some further comments on that, or if you could reflect to us, perhaps, what your co-workers have felt about this?

Mr. Benolt: My feeling is this, that my employer at a meeting once said to us that our employees are our greatest liability. That really hit me hard, because I thought to myself, are we not your greatest resource? Do you not have a department there called human resources?

I think about it, and I say, you know, I think my employer is a Conservative, because all he is concerned with is his corporate buddies, and the employees are not resources, we are liabilities. My feeling is that Mr. Manness thinks that we are just a bunch of liabilities, that we are just dollars and cents, not flesh and blood, but dollars and cents. That is my feeling.

Ms. Friesen: I appreciate the fact that you are here not just to speak to the government, but that you are here as an individual to face your employer as well. I recognize that that is a difficult position, and it is one that I think many people, in fact, are taking today.

I wanted to ask about the economic context that you have also spoken of, your fears for the future and the constraints that this puts upon your own spending and upon your own participation in the Manitoba economy, in effect. Could you give us some other examples, perhaps, from people with whom you work of the way in which the actions of this government and their lack of faith in the contract negotiation, the contract process, has affected their participation in the economy?

Mr. Benoit: I can deal with some issues in the sense of—I will deal with myself, first off. As I said, I am a sole wage earner in my family. I am afraid to even go out and buy a stove, which I need, in fear that I might need that money. Twenty years ago if someone would have told me that I would be making the money I am making today and I would be struggling, I mean struggling, to make ends meet, I would have never believed them. I would have said, that is impossible. Things have to get better, but they are not getting better, they are getting worse.

We have—not an employee but one of our agents, his employer let him go with no notice, just let him go, and they were aware that he was making a house purchase. They waited until after he had made his house purchase to inform him he no longer had a job. So people out there at my workplace are saying, god, I do not know what is going to happen to me. Where am I going to be tomorrow? Years ago we used to say, where am I going to be 10 years from now. Now it is, where am I going to be 10 days from now.

I know where I am going to be 10 days from now. I will probably be taking some more Code 57 off and letting the shoplifters go crazy at my store. Ironically enough, I was at my store today, and I caught a shoplifter taking a 62-ounce bottle of vodka. Now, if I was off on Code 57, that bottle of vodka would be out the door—\$38. Now, where is the saving in that? You save so many dollars an hour on my wages and you will let \$38 walk out the door because I am not there to catch them.

The Acting Chairperson (Mr. Helwer): Ms. Friesen, did you have a further question?

Ms. Friesen: Yes. I do not know if you were here last night, but you were perhaps here earlier this afternoon when you heard the Minister of Finance (Mr. Manness) say that he was still prepared to negotiate with Mr. Olfert. Have you ever had any knowledge of that or any understanding of that?

Mr. Benoit: I do not know all the facts. All I know is what I have heard. Peter Olfert told me that he was supposed to be allowed time to consult with his membership. He never was. He never had that opportunity to consult. Secondly, I do not know

why I would even believe this government. I mean, like, to me they are not trustworthy. I cannot believe what they are going to say. They can tell me one thing today and change it tomorrow. They can just say, well, that is okay, we will just legislate it and change it.

So to me, as far as bargaining goes I think that is a waste of time, because he has already violated my collective agreement already just by introducing this bill. Why should I believe him on anything else?

Mr. Plohman: Yes, just briefly. I just want to make a comment. You have made no secret about where you work, and you were never attempting to hide that, but I know that the Minister of Finance (Mr. Manness) did check with the Chairperson. I heard him a moment ago, where does this guy work, and then made a note of it. I hope this is not an act of intimidation by this minister.

Point of Order

Mr. Manness: Mr. Acting Chairperson, I know the member for Dauphin has had a disastrous week. He has been kicked around verbally for the whole week, but I did not say that. I said, where does this person work?

Floor Comment: What does that mean?

Mr. Manness: Well, because you had said so. [interjection] No, you had said so, sir. You had made it very public, and I did not hear it, and that is why exactly I—and I have written down all of the presenters because I may want to some day invite them into the office and—because I would love to debate a lot of these issues, quite frankly, debate many of them. My own self-imposed time restraint, of course, has precluded me from doing so here.

* * *

The Acting Chairperson (Mr. Helwer): Order, please. Are there any further questions? If there are no further questions, thank you, Mr. Benoit, for your presentation.

The time being after 5 p.m., committee rise.

COMMITTEE ROSE AT: 5:09 p.m.