

Second Session - Thirty-Ninth Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Social and Economic Development

Chairperson
Mr. Rob Altemeyer
Constituency of Wolseley

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON SOCIAL AND ECONOMIC DEVELOPMENT

Thursday, July 24, 2008

TIME – 10 a.m.

LOCATION – Winnipeg, Manitoba

**CHAIRPERSON – Mr. Rob Altemeyer
(Wolseley)**

VICE-CHAIRPERSON – Ms. Marilyn Brick (St. Norbert)

ATTENDANCE – 11 QUORUM – 6

Members of the Committee present:

Hon. Mr. Bjornson, Hon. Ms. Irvin-Ross

Mr. Altemeyer, Mses. Blady, Brick, Messrs. Cullen, Dewar, Goertzen, Hawranik, Maloway, Mrs. Mitchelson

Substitutions:

Mr. Briese for Mrs. Mitchelson at 1135

Ms. Marcelino for Mr. Maloway at 1410

Hon. Ms. Melnick for Hon. Ms. Irvin-Ross at 1410

Mr. Schuler for Mr. Goertzen at 1411

Hon. Mr. Chomiak for Ms. Blady at 1559

Mr. Saran for Hon. Ms. Melnick at 1754

Mr. Faurschou for Mr. Cullen at 1754

APPEARING:

Mr. Ron Schuler, MLA for Springfield

Mr. Kevin Lamoureux, MLA for Inkster

WITNESSES:

Ms. Barbara McDole, Private Citizen

Ms. Sharon Fischer, Private Citizen

Ms. Deedee Rizzo, Private Citizen

Ms. Maggie Keller, Private Citizen

Ms. Georgina Jarema, Private Citizen

Mr. Norman Grywinski, Private Citizen

Ms. Linda Asper, Private Citizen

Mr. Aubrey Asper, Private Citizen

Ms. Karen Wiebe, Private Citizen

Mr. Warren Ogren, Private Citizen

Ms. Patricia Grafenauer, Private Citizen

Ms. Jo-Anne Irving, Private Citizen

Mr. Ian Mac Intyre, Private Citizen

Mr. Gregory Giesbrecht, Private Citizen

Ms. Phyllis Hunter, Private Citizen

Ms. Edith Doyle, Private Citizen

Mr. Philip Zubrycki, Private Citizen

Mr. David Bertnick, Private Citizen

Ms. Sandra Johnston, Private Citizen

Ms. Monique Ting, Private Citizen

Mr. Bob Thompson, Private Citizen

Mr. Albert Labun, Private Citizen

Ms. Valdine Johnson, Private Citizen

Mr. Edward Mann, Private Citizen

Mr. Lorne Ferley, Private Citizen

Ms. Jackie Wardell, Private Citizen

Mr. Ivan Pokus, Private Citizen

Mr. John Petrinka, Private Citizen

Mr. Bob Preston, Private Citizen

Mr. Ken Miller, Private Citizen

Ms. Clarice Gilchrist, Private Citizen

Mr. Dale Lund, Private Citizen

Mr. Dick Marshall, Private Citizen

Ms. Ruth Livingston, Private Citizen

Ms. Mary Barzey, Private Citizen

Ms. Lea Mansell, Private Citizen

Ms. Ursula Schindel-Ditchburn, Private Citizen

WRITTEN SUBMISSIONS:

Elizabeth Ilott, Private Citizen

Edward Belliveau, Private Citizen

Dorothy Troop, Private Citizen

Evelyn Tycholiz, Private Citizen

Don and Tanis McDonald, Private Citizens

Daniel Kiazzyk, Private Citizen

Margaret Hamilton, Private Citizen

Eugene Yarish, Private Citizen

Margaret Milton, Private Citizen

I. Jean Tully, Private Citizen

Kenneth B. Tully, Private Citizen

Judy Olmstead-Coss, Private Citizen

Roslyn Roberts, Private Citizen

Maria Nickel, Private Citizen

Carolyn Lintott, Private Citizen

Gerry Sankar, Private Citizen

Gordon Henderson, Private Citizen

Linda Puttaert, Private Citizen

Wayne Watson, Private Citizen

Rhea Chudy, Private Citizen

Janice Yon, Private Citizen

Valdine Johnson, Private Citizen

Corrina Kroeker, Private Citizen

Orah Moss, Seven Oaks Teachers' Association

Phil MacLellan, Private Citizen
 Tracy Fyfe, Private Citizen
 Matt Turner, Private Citizen
 Kelly Turner, Private Citizen
 Barbara Cummine, Private Citizen
 Peter Isaak, Private Citizen
 Denis Fontaine, Private Citizen
 Edith Furdievich, Private Citizen
 Jag Malik, Private Citizen
 Tom Carlyle, Private Citizen
 Jamie Krutkewich, Private Citizen

MATTERS UNDER CONSIDERATION:

Bill 45—The Teachers' Pensions Amendment Act

* * *

Mr. Chairperson: Good morning, one and all. Will the Standing Committee on Social and Economic Development please come to order.

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

Mr. Gregory Dewar (Selkirk): Oh, thank you. It's my pleasure to nominate Ms. Brick.

Mr. Chairperson: Ms. Brick has been nominated. Any other nominations? Seeing none, Ms. Brick has been elected Vice-Chair of the committee.

Now, for the benefit of anyone who may not have been here the previous days that we have been sitting, this meeting has been called to consider Bill 45, The Teachers' Pensions Amendment Act. We have a number of presenters registered to speak this morning. They are all listed on the sheet before you, committee members, and posted on the board at the entrance to the room.

There is also the extra room down the hall, Room 254, as an overflow room, should we need it. Staff are also there to assist you if you need it. The proceedings from this room are transmitted into Room 254 and broadcast there.

The committee completed the first call through the rural presenters on Tuesday, and we are now continuing with our first call of Winnipeg presenters. We do have a number of other items to get through before we begin with presenters, and I thank the members of the public for their patience as we do this.

For everyone's information, written versions of presentations are not required. If you are going to provide your presentation in written form, we ask that you provide us with 20 copies. Staff at the back

of the room, again, can help you with that.

I'd also like to inform all presenters that, in accordance with our rules, a time limit of 10 minutes has been allotted for each presentation, with up to a maximum of an additional five minutes allowed for questions from committee members. Also in accordance with our rules, if a presenter is not in attendance when their name is called, they will be dropped to the bottom of the list. If the presenter is not in attendance when their name is called a second time, they will be removed from the presenters' list.

On a brief side note, members are aware that we have had a large volume of presenters registered to speak to this bill. I would like to take a moment to thank the staff of the Clerk's office, in particular Pat Malynyk, Karen Kawaler and Arlene Finkel, for their hard work and dedication in recording and tracking all of the information required to keep us organized here, and Rick Yarish without whom we could not do anything—[*interjection*] That was a bit of ad lib. This process could not function without them, of course, and we really appreciate all their great help.

Written submissions on Bill 45 have been received from the following persons and distributed to committee members. Their names are Elizabeth Ilott, Edward Belliveau and Dorothy Troop. Ms. Troop is presenter No. 112 on the master list. If committee members wish to make that note on their sheets, they can.

We have also received word that presenter listed at No. 33, Alf Brooks, has phoned and asked to be removed from the list and has not provided a presentation—sorry, a written submission.

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

Prior to proceeding with public presentations, I would like to advise members of the public regarding this process. The proceedings of our meetings are recorded in order to provide a verbatim transcript. Each time someone wishes to speak, whether it be an MLA at the table or a presenter from the general public, I first, as Chair, have to say the person's name. This is a signal for the *Hansard* technician to turn the appropriate microphones on and off.

Thank you for your patience and we will now proceed with public presentations.

One very brief note, before doing so, just for the committee's information, last night—[*interjection*]—

just right after this. Last night, the committee agreed to allow presenter listed as No. 161, Mr. Alfred Dubé, to make a presentation in French this morning with the assistance of our translation staff. He has not yet checked in. With the committee's permission, we will ask our translation staff to remain in the room for a little while, on the off-chance that he does appear. When he does, they will let us know and then we can hear that presentation. That's my proposal as Chair; is that acceptable to the committee? *[Agreed]*

Mr. Schuler, I believe you had a point to raise.

Mr. Ron Schuler (Springfield): Presenter Val Monk had run out of time with her presentation. I don't remember if I asked if we could have her entire presentation published in *Hansard*. If I didn't, could we ask that her presentation be printed in its entirety in *Hansard*?

Mr. Chairperson: Just to clarify, Mr. Schuler, that was from last night's presentation or early this morning's?

Mr. Schuler: It was definitely not early this morning.

Mr. Chairperson: It was definitely not early this morning? Okay, the Clerk's office will yet again perform their superhuman task. Could you repeat the name again?

Mr. Schuler: The name is Val Monk. We would like her written presentation published in the record.

Mr. Chairperson: Is that amenable to the committee? *[Agreed]* Thank you very much for that.

With those matters resolved, we will now begin hearing from our list.

* (10:10)

Mr. Schuler: I apologize to the committee. It's Anne Monk, and it was Tuesday night. I'm sure this is a clear indication that when we sit 24/7 this is what happens. It is Anne Monk, and I apologize.

Mr. Chairperson: Duly noted. Will we let Anne Monk's presentation be recorded in *Hansard*? *[Agreed]* Excellent. Anne and Val, both. Thank you for that, everybody.

We will now begin hearing from members of the public. First name on the list is Ruth Hartnell. Is Ruth Hartnell here this morning? Seeing no one, we will drop her name to the bottom of the list.

Presenter No. 2, Barbara McDole. Excellent. I see you have written copies. Thank you very much

for that. Ms. McDole, you may begin when you're ready.

Ms. Barbara McDole (Private Citizen): I don't know whether this is a good start to the morning or not because I represent the Retired Women Teachers' Association, and you know how cranky women can be at this stage of their lives. So, on that note, we'll begin.

Mr. Chairman, members of the Legislative Assembly, ladies and gentlemen, thank you for the opportunity to express concern about the Sale report. My name is Barbara McDole and I am the president of the Retired Women Teachers' Association, which represents nearly 500 professional teachers. Our organization actually started in 1951.

I am appalled at the treatment being handed down to the retired teachers by the Doer government and the Manitoba Teachers' Society. A moral contract has been broken. I, personally, in good faith, was a member of MTS and conscientiously did what was expected of me for 33 years. In 1977, I bought into the implementation of a COLA program that was to be run honestly and professionally, and paid into it for 22 years to protect myself in later years.

Fast forward to 2008, MTS and the Doer government tried to ram through a plebiscite that: (a) did not include RTAM, (b) deliberately withheld accurate information from active teachers, pitting them against retired teachers and encouraging them to vote yes, and (c) disenfranchised many out-of-province retired teachers due to slow mail delivery. I personally heard that plebiscites arrived with no ballots included; interesting approach.

Also interesting and noteworthy is that a former NDP minister, Tim Sale, who has no background whatsoever in education, is hired to write a report on COLA funding recommendations. The railroading of the bill without any input whatsoever from RTAM, aided and abetted by a flawed plebiscite process, speaks to the lack of sensitivity of the Doer government. Members of the committee, let me give you a taste of what some women who have dedicated their professional lives to children think about the Doer plan.

1. This is in reply to Mr. Sale's report to the problem of inflation protection for teachers' pensions. Alternative approaches to financing this problem were not taken. Mr. Sale mainly recommended the government's objectives, being a

member of the government. Submitted by Ms. Dorothy Manson.

2. A COLA was promised by the Manitoba government of time and paid for by the working teachers of the time and now retired. Is it a government policy to break promises? I am disillusioned and upset by the unfair treatment of retired teachers. A fair COLA is our right. Submitted by Connie Fiorentino Scerbo.

3. I have always considered the NDP to be a party and government that believes in fairness and equity for the working man, retirees and all its citizens, but now I'm deeply disappointed to think that this fiduciary trust is being broken. I am saddened that my children will have to learn a hard lesson, that the NDP government lied to their mother and to all the other retired teachers who worked hard to earn their retirement dues. Submitted by Yvonne Collins.

4. I have taught in good faith for over 40 years in Manitoba. Our government's position on COLA payment is disgraceful. Retired teachers need the COLA we paid and worked for. The contributions we made to education and making this province a better place is of prime importance. Government, get your priorities straight and pay up. Submitted by Vicki Brunel.

These are just four excerpts from many letters that I received from members of RWTA, being their president.

I, personally, have given 33 years of my life to encouraging, educating and empowering approximately 1,200 children in this province because I believe they need to have hope in their futures.

When I was asked to support COLA, I was a struggling single mom with two young children and no child support. Just an aside here. In 1984, I got divorced, and that happened at the time frame that the government mandated that you had to split your pension. So I was forced to ante up over \$500 a month to my ex-husband. However, he had no pension to split. Fair deal? Not really. I retired in 1999 and, to date, have lost \$55,000 of my pension. Neither the government or MTS, which I'd been a member of for 18 years, had any protection plan in place for me or other women who found themselves in similar situations.

I felt, at that time, it was my duty to ensure that those teachers who had retired before me would not

be consigned to retirement poverty. Having paid into this at a very difficult period in my life, I now find out the deal has changed. MTS and the government have broken the moral contract. If COLA is not an option, then I want my money back. It's not my fault that the fund was mismanaged.

I retired in 1999 and had children ages 18 and 21 at that time. I am remarried; otherwise, university would have been out of the question for them. At 26, my daughter is in Calgary taking a human resources degree and my son, at 30, is doing a Master's in exercise physiology. I am still helping them both financially. This is a different time era, for many parents my age are still finding it necessary to help and support their children. Since not really retiring, I have done home tutoring and worked for four years as a faculty adviser in education at the University of Manitoba. I took a year-long course with Manitoba Search and Rescue, along with my Pyrenees dog, Bear. He is now a qualified therapy dog and I have been working the past year in schools with learning-disabled children.

Just on an aside and, sort of, a comic relief from this, I have a friend who owns a pizza restaurant. She was having trouble getting drivers and so she said to me: Barbara, would you help me out? I'll pay you. I said, no, no, I don't want you to help me out; I'll just do it for fun. So anyway, I went in and cleaned her kitchen and peeled potatoes, and there came this huge delivery out near a school that I used to teach at. It was a delivery of about 15 pizzas and they were late. The fellow phoned about four times to say, where are the pizzas? So, Penny, the owner said: I'm glad, Barbara, you're the one delivering these pizzas. So off I went and I rushed to this house and hopped out with my little red bags of pizzas and headed for the door. The fellow opened the door, and said: My God, it's Ms. McDole from Darwin School. I said: Yeah, the pensions aren't great, guys.

Anyway, I taught my own children, as well as my students, to be honest and accountable. Obviously, some members of the provincial government and MTS missed those classes. They should be ashamed of their unconscionable dealings and deceit with RTAM. Fair and equitable solutions are needed now and in the future. We have paid tens of thousands of dollars for inflation protection and been thrown crumbs. This is pretty insulting to educated professionals who have been entrusted with society's most valuable resource, its children. Thank you.

Mr. Chairperson: Thank you for your presentation.

Questions?

Mr. Schuler: Well, Ms. McDole, that is an interesting story that you gave us about having to work for a pizza place to supplement your income.

Ms. McDole: I didn't work, I volunteered.

Mr. Schuler: You volunteered. The five bucks, five bucks, five bucks seems to come to mind. Anyway, I appreciate your presentation and the passion which you give it. You've been around to see, sort of, the developments in it, and I'll ask you the question we've asked of others. You've, then, always been under the impression that a COLA, that that was a given, that that's what you had signed off on and that's what you were paying for. Is that correct?

*(10:20)

Ms. McDole: I would like to address that because it was interesting, with Pat Isaak's presentation the night before last, in the fact she had stated that, in 1977, when this came in, it really wasn't a go, at least that's how I sort of read what she was saying. In other words, it really wasn't a done deal.

What would have happened at that particular time? Teachers really have a problem of rolling over. I think the problem now is that many in the RWTA—a number of women are in their late '80s and early '90s. I want to tell you in all honesty—and this is the truth—out of the four luncheons which we have a year and it's \$15 a ticket—there are many members who only can afford to come to one of those lunches of the four because of their salaries. In many cases, the newly retired people who are 55 and over are loaded for bear. This is the Woodstock era; they grew up in the '50s and '60s and they're not willing to sit back and be bamboozled by what happened.

In '77, when I was told I had to put money into a pension plan—and I was a single mom with two kids—I did it because I felt that it was my moral obligation to help those people who came before me. So I did it.

My point is, if this was not a solid deal, as Pat Isaak referred to—unless I misunderstood her—what would have happened if I would have said, I don't think this is okay; I'm going to put all my money in RRSPs. What would have happened if I had done that?

So yes, I did, in answer to your question. That was the long way around it, but yes, I honestly did. I didn't just give the government, in my financial

straits, extra money because I thought I was never going to have anything back for it. I was trying to plan ahead.

Mr. Schuler: Yes, and thank you for waiting so long. I've seen you here over the last few days and appreciate you waiting so patiently for the fourth day to finally make a presentation. Thank you, again.

Ms. McDole: Thanks so much for all your time.

Mr. Chairperson: Ms. McDole, thank you.

The next presenter, No. 3, Monique Hebert. Monique Hebert? Seeing no one, drop the name to the bottom of the list.

Number 4, Sharon Fischer. Sharon Fischer? Yes, of course. Good morning.

Ms. Sharon Fischer (Private Citizen): Good morning.

Mr. Chairperson: Do you have written copies or just an oral presentation?

Ms. Fischer: No, this is just oral. Most of what I've got to say has been said, but I need to stand up and be counted.

Mr. Chairperson: Ms. Fischer, you may begin when you're ready.

Ms. Fischer: I hope. I've got nine minutes and 45 seconds here, so I'll dispense with the pleasantries and start.

I found it more difficult than I expected when I sat down to compose my thoughts for this presentation, not because I didn't know what I wanted to say, but because I found my emotional temperature rising each time I started to consider the issues. I was forced to ask myself why.

I finally determined that I was upset because I felt like I'd been had—conned, duped. It was a sense of betrayal. I was reluctant to use that word, even to myself, because it felt like overstatement. So I was glad when previous speakers here identified the same feeling.

The scenario I saw in my head was a couple of government negotiators, back in the '70s, having a little confab: Okay, these teachers want a full cost-of-living allowance, but they'll pay more for it—16 percent—and they'll pay for their own disability insurance. Sounds like a good deal. Don't worry, if things don't work out, we're the government; we can always change the rules.

Did this really happen? Not likely, but the end result is the same. The Sale proposal changes the rules.

My dad was a union man; you can guess his politics. His advice to those deciding on a career was: Never mind the wages; what's the pension plan like? As a working teacher, I was always aware that our pension agreement included a full COLA; that was public knowledge. It wasn't just me; it was kind of understood. Everybody knew that. This meant, if I could afford to retire, I could afford to stay retired. The COLA would help me keep pace with rising expenses. That knowledge was important in my financial planning.

Now, after the fact, you want to reduce it to a maximum of two-thirds; zero to two-thirds is more likely—now, when it's too late for me to alter my retirement date or put more money into an RRSP. I could've put a few more dollars into my Crocus account.

This type of change should be made with lead time, so that people can adequately prepare for it. Cost-of-living increases are just as important to pensioners as salary increases are to the working. Who'd continue to work without them?

The cost-of-living rates are an average of all things bought and sold. Some prices go up; some go down. We've all seen the price of electronics, furniture, even cars, go down or plateau in the last few years. As a senior, I can forego a new couch. I'm not interested in a new iPod.

The bulk of our money is used for essentials: food, home repairs, taxes, medical expenses, utilities, fuel for our cars. Though equal-minded, oldsters just can't hop on a bike and hoof it down to the mall as easily. All of these above expenses have soared recently and, on a regular basis, they outstrip the average CPI. There's an article in the *Free Press* this morning about rising food prices, up to 44 percent, an average of 12 percent for the foods they listed, basic staples.

After my first year of retirement, I was notified I'd be receiving a COLA increase. Wow, it came to about \$4 a month. Ironically, in the very same day's mail, I got a letter stating that my utility bill would also be increasing, about \$5 a month.

We can't listen to the news these days without hearing about Manitoba's improved prosperity, but prosperity often leads to increased prices—look at

houses—consequently, after some time, increased wages. So it all balances out, unless you're retired.

The most immediate way to share this prosperity with retirees is to do an adequate cost-of-living allowance. Retired teachers are not the only ones who believe that adequate COLAs are necessary. In Bill 37, allowing for political parties to receive \$1.25 per vote for election expenses, these monies are to be 100 percent indexed.

Certainly, what a political party chooses to spend on a campaign is completely discretionary. We're all aware of parties with relatively small budgets that manage to attract considerable support, like the Green Party. I have a hard time equating the value of a political poster with my hydro costs. Why do campaign monies need to be fully indexed, but not pensions?

Bill 45 is proposing a two-thirds cap on our COLA, in fact, a rollback. Unfortunately, this is often confused with a two-thirds guarantee. I'm going to quote from the *Free Press*, July 17 of this year, barely a week ago: At issue is a bill that offers retired teachers a cost-of-living increase worth two-thirds of inflation. But this is not true, is it?

All that I am guaranteed is I'll become at least one-third, or more, poorer every year. This is frightening, and a little voice in my head says it's not fair.

The fact that this was spearheaded by the NDP just heightens my sense of betrayal. They've been the party of choice for many teachers. In fact, I seem to remember the Manitoba Teachers' Society publicly endorsing them a few elections ago. They certainly had my support. I have to admit I always felt somewhat righteous about this.

We've all heard those cynical stories about politics and politicians, patronage and chicanery, double dealing, et cetera. Well, my party was above all that. They were the good guys, the straight shooters—ethical, inclusive, and on the lookout for the little guy. However, the divide-and-conquer tactics used to promote this deal were an eye-opener.

Active teachers are pitted against the retired, and retirees against retirees. Sadly, you can feel it in this room. I actually got a letter from the Teachers' Society president, stating that the Retired Teachers' Association was not looking after my interests.

Classroom teachers were kept in the dark until just before the plebiscite. I haven't been retired that

long, only a few years; so I have a lot of friends still working in the classroom. Luckily, they're still talking to me. I found out that they knew precious little about COLA issues.

* (10:30)

The spin put on the interpretation of the Sale report could make you dizzy. It's the process as much as the legislation that stings. I don't believe that government will look back on this as one of its finer moments, but the expression, you don't always get what you want, is nowhere truer than in the classroom. Teachers know how to compromise.

If we did accept this two-thirds proposal, are we really going to get it? There certainly are implications but no promises, and if we did get it next year, for how long afterwards? Don't forget, retirees in the '80s got full COLAs for the first few years too. How long before they begin to cry poor again? That little voice in my head is asking, am I being conned again?

The reason we can't receive fair COLAs now, we are told, is because we didn't pay enough into our PAA account. I'm made to feel guilty for this, but government and the Teachers' Society—and I believe government has the last word, they are the ones who determined—no, they dictated—what I could pay into this pot. Where was MTS when the alarm bells first went off? That's when a plebiscite about increasing contributions would have been appropriate.

I'm hearing young teachers say that they don't want to have to pay \$300 a month to ensure our COLA. I don't blame them. It's a lot of money. I wouldn't want to pay that either. I'm not sure where this figure comes from, but let's suspend judgment for a moment and accept it as fact. Well, then, here's my suggestion. Let's begin by cutting out the middleman. That's you guys. That's government. Okay, out you go. We can probably exclude first-year teachers. They're kind of down on the bottom rung. Then we could let each active teacher simply adopt a retiree and pay each of us directly, something like \$50 to \$100 a month. I'd be thrilled with this amount of money, and, according to their figures, they'd be saving a couple of hundred dollars a month. Win-win.

Mr. Chairperson: One minute remaining.

Ms. Fischer: Instead, we got the Sale report, and here we are on the brink of repeating our underfunding history. The funding procedures proposed are the crux of the issue. They're not yet

proved, so, of course, we should try them out for, say, 10 years. Well, 10 years is a long time when I was 20. Right now, it could be eternity. In 10 years, many of us won't be in a position to care, and on my darkest days I sometimes think that is the whole point.

However, we also know there are a large number of active teachers poised to retire in the next five years and more in the five years after that. For their sake, as well as ours, we have to have a solid funding plan. Now that we have open employment between the borders, it would be a shame to see younger teachers going to other provinces because they have better pension plans. This proposal is an all-eggs-in-one-basket deal and depends heavily on investment returns to succeed. Well, my investments are not paying off big dollars these days—I don't know about yours—and this is the plan we should all buy into as we sit on the edge of our chairs and watch our southern neighbours sink into recession. I've got 35 seconds.

Mr. Chairperson: Leave? *[Agreed]* You have leave, out of question time. Same as usual. Thank you.

Ms. Fischer: Should these investments not materialize, is there a plan B? We've heard that the government has recently put money into teachers' pensions, but this is the third kick at the cat we've given this government. Doing that now smacks of too little too late. The danger of accepting this proposal is that it will forestall searching for a better, more workable solution.

Like others here, I have a hard time believing that a group of people seriously tried to find a way to fund a full COLA. I feel that the two-thirds rollback was the objective and any problem solving was geared to that goal. My concern now is that the final solution will not even support that. I will end with a currently popular expression: Fool me once, shame on you. Fool me twice, shame on me. I can't support Bill 45.

Mr. Chairperson: Thank you for your presentation.

Questions.

Mr. Schuler: Thank you very much, Ms. Fischer. You've sat here incredibly patiently over my right shoulder, and I know you've been watching and listening. We certainly appreciate your presentation, and it's very heartfelt.

Basically, what you're saying is that you thought you were going to get a full COLA. What you would

be interested in is a better-than-two-thirds COLA, and what you're being offered is less than two-thirds, a guaranteed less-than-two-thirds COLA.

Where do you think we should be going from here? What would you like to see your government, which is a massive majority in Manitoba proportions, where would you like to see this majority government going on this issue?

Ms. Fischer: Basically, back to the drawing board. It has been said here, and I don't think it's questioned, why the shortfall is there.

I agree with people who have said it before me. I think government has to step up to the plate and put in adequate funds. Retired teachers are not insisting on 100 percent COLA, but \$4 a month is almost a slap in the face when you get a bill on the same day for a \$5 utility bill increase.

If I'd known back then, I literally would have invested more money, but everybody knew that teachers' pensions were cost-indexed. There was some rumour going out that government wasn't putting their share into the pot, but with each new government that carrot was kind of dangled, you know, oh, this government will top it up, this government will, this government will, and it hasn't happened; it hasn't happened, and it has to happen; it has to happen.

How many people does Manitoba want living below the poverty line? How many senior citizens do they want using the food banks?

Mr. Chairperson: Thank you very much for your time with us.

One quick item for the committee's reference, we have received word that speaker No. 57, Monica Harder, has asked to be removed from the list without a written submission, if you'd care to make that note.

Also, for members of the public, as you just saw there, when a presenter reaches the nine-minute mark of their 10-minute allocation, I will give a notice of one minute remaining. As you can see, the committee does have the latitude to grant leave, though that does come out of the maximum five minutes left for questions afterward.

That said, the next name we will call is No. 5, Deedee Rizzo.

Ms. Deedee Rizzo (Private Citizen): The name is Rizzo.

Mr. Chairperson: Sorry, Rizzo?

Ms. Rizzo: Rizzo, as in pizza.

Mr. Chairperson: Rizzo, thank you. Much appreciated.

Ms. Rizzo: You're welcome.

Mr. Chairperson: Ms. Rizzo, oral presentation?

Ms. Rizzo: Yes, thank you.

Mr. Chairperson: Very good, you may begin when you're ready.

Ms. Rizzo: My name is Deedee Rizzo. I'm a retired teacher and former president of RTAM from 2003 to 2005. I'm no longer currently on the board of RTAM and I'm here as a private citizen.

I spent 31 years as a teacher in the province of Manitoba. During the time, I came to realize that the two things that were essential in dealing with students and adults were both patience and fairness. I stand before you today completely out of the former because I see a total lack of the latter.

I am tired of being treated like a second class citizen with no rights regarding something that is critical to my future, and that is my pension. I am tired of the pretence of the inclusion of RTAM in any decision-making process when the legislation continues to refer only to the Manitoba Teachers' Society and the government. I am tired of the piecemeal approach to resolving a critical problem. I am tired of other people having the right to make decisions to our detriment about monies that have been generated from retirees' pension contributions. I am tired of the lack of political will in trying to solve a problem that should have been addressed years ago. And I am tired of the references that I, as a retired teacher, am being difficult, emotional and unreasonable, simply because I want to be treated fairly.

Lest anyone think that my being tired of these things suggests that I plan to give up and go away quietly, let me disabuse you of that thought. I do not plan to give up or go away, and I certainly don't plan to be quiet.

I've been retired for nine years during which time the buying power of my pension has been reduced by 10.8 percent, 10.78, if we're going to be very precise. This is the difference between what I would have received had the COLA paid been equivalent to CPI and what I actually received.

* (10:40)

The minor tinkering that's been done and is being recommended will do little to slow the downward slide of the buying power of my pension. Even if the plan today was able to pay out a full COLA equivalent to CPI, the 10.8 percent loss in buying power can never be regained.

In these nine years, I've seen two very small steps forward. One was an increase in teacher contributions which, I might point out, was just over half of the amount MTS had requested to deal with the under-contributions of active teachers, specifically new entrants to the profession.

The second is in the proposed legislation before us today, which changes the interest crediting method for the Pension Adjustment Account. The latter will bring us up to barely 15 percent of CPI this year, but given the fact that the investment results of the pension plan last year were not great, and probably will not be for the next few years, next year's COLA will probably be considerably lower. At this rate I will continue to get further and further behind and will probably die before the problems are even close to being resolved. I sincerely hope that's not the strategy in play.

It has been noted that pensions are about money in, money out. While that is true, pensions are about much more than that. They are also about promises and commitments. We also have to keep in mind that, when they are legislated pensions, they are about politics and that many decisions made are made for political reasons, which don't, unfortunately, always coincide with the best interests of the plan.

It has been repeatedly said over the years that teachers made a different deal than the provincial government employees when an agreement was signed in 1977 to deal with the issue of COLA. Teachers rejected a two-third cap on COLA in exchange for a higher contribution rate, which we gladly paid, and a elimination of several benefits including the disability pensions.

Not only do Bill 45 and the Sale report ignore the historical facts and resurrect the government agenda, the two-thirds cap, but also to add insult to injury, makes no provision for the funding of a PAA to even come close to achieving that amount.

While Bill 45 gives a figure for a maximum COLA, what is missing is the commitment and political will to establish a plan for the funding of the

PAA that can pay out an adequate COLA and the legislation that will enable the pension plan to achieve it.

For MTS to consider Bill 45 a win-win proposition completely baffles and saddens me. Not only does Bill 45 expect retired teachers to wait 10 years for any hope of meaningful improvements in their COLA, but it also provides little funding by which it can be achieved.

This bill suggests not only a disregard for a well-being of retired teachers but also a disregard for the future well-being of all teachers. The COLA issue is not, as some would like to portray it, an inter-generational conflict, but rather a problem facing all of us that needs to be solved. The improvement and health of the PAA benefit everyone. For active teachers to think that things will miraculously improve by the time they retire is misguided, to say the least. Failure to act over the years, as we have seen, only exacerbates the problems.

There's been an inference in some of the presentations that we've gotten something for nothing. We've been able to retire earlier and live longer without paying for these benefits, so we have to suffer the consequences of our actions. I certainly take the responsibility for my decision to retire earlier with a corresponding lower pension, but I'm afraid the living longer part is a matter of luck, and, despite my commitment to the plan, I certainly plan to take advantage of any possibility of living longer, if I can at all do so.

Should we have paid more for our pension? Probably. But hindsight is always 20-20. The economic environment in the mid-'80s was very different from today. There was high inflation and economic restraint on the part of governments. With the government encouraging salary settlements below the rate of inflation, it did not wish to be in the political position of raising pension contributions at the time. An example of a political decision versus what is best for the plan. The result was our pension plan, benefiting from inflation, was showing a healthy surplus, but teachers' salary increases were suffering from economic restraints which extended into the '90s.

I used to joke in the years leading up to my retirement that I'd be getting a better cost-of-living increase if I were retired. Then, of course, I retired in '99 and the pendulum swung the other way. As they say, timing is everything.

It is probably understandable that political decisions were made to delay any pension contribution increases until the economic climate improved. Did I, as an individual teacher, know about this at the time? No. Were these political decisions part of a public debate? No. Did I, as an individual teacher, make the decision not to increase my contributions? No.

I raise this not to assign blame for past decisions. Those were different times and different experiences.

Mr. Chairperson: One minute remaining.

Ms. Rizzo: Obviously, political decisions were made that, in retrospect, were not well thought out. Let us not make the same mistake today.

I come from a perspective of social responsibility. Our governments and our professional organizations are the political mechanisms by which changes take place. They cannot divorce themselves from past actions. We have to ensure that they are held accountable. We need to all move forward in a constructive manner and ensure that mistakes are rectified in the best way possible.

What we have in Bill 45 is legislation that provides little of what is promised. Retired teachers rejected the Sale report recommendations, and the result was a plebiscite undertaken by the government in consultation with MTS.

Mr. Chairperson: Order. We've reached the 10-minute mark. Is there leave of the committee? *[Agreed]* Leave is granted, in lieu of question time. Please continue.

Ms. Rizzo: Thank you.

The process, first of all, did not include the approximately 6,000 members of the plan who have deferred status, including all teachers on leave, such as maternity leave. Secondly, the turnaround time of two to three weeks was too short for anyone away for a few weeks or living out of province to have an opportunity to vote. Thirdly, the process also favoured MTS, since they have the resources to get their position out to its members.

This was hardly a balanced and fair approach and has only served to create a lot of distrust. When I read Bill 45, I couldn't understand how anyone would expect that retired teachers would accept a bill that shows such a blatant disregard for their present and future well-being.

When I look at the negative effect that the lack of COLA has had on many of the older retired teachers, especially women, who had small pensions to begin with, the concern about dying with dignity takes on a whole new meaning.

As one of the many thousands of retired teachers in the province, I will continue, along with my colleagues, to speak out in favour of a fair and equitable solution. The government, however, has an opportunity to do what is fair. It can withdraw Bill 45 and show some political will and commit to working with MTS and RTAM to find ways of adequately funding the PAA for the benefit of both current and future retirees. Thank you.

Mr. Chairperson: Thank you, Ms. Rizzo.

Questions?

Mr. Schuler: Thank you very much, Ms. Rizzo. You've also been one of those individuals who sat here basically for the entire time and listened to presentations. It's appreciated that you waited until the fourth day to make your presentation and also for the work that you've put into this.

I will ask you the question I've asked many others: Where do we go from here? What would you like to see? We've talked about putting a hoist on Bill 45 to allow more discussions. You were part of a lot of the discussions. Give us some advice as a committee where you would like to see us continue going.

* (10:50)

Ms. Rizzo: I think there has to be political will to solve the problem and not come into discussions with a preconceived idea of what they want to get out of it in terms of minimizing costs. There has to be a full exploration of all the possibilities. It doesn't just come down to what the active teachers can pay and what the government doesn't want to pay. It has to be an exploration of the surplus investment returns which I know that MTS is adamant about not sharing with retired teachers despite the fact a good portion of the monies in that account belongs to us. Possibly the reason for that reluctance is any surplus is being used to offset the under-contributions of the new entry teachers, which needs to be addressed with increased payments to the account.

The implication that the shortfall in account A is the result of the underfunding by retired teachers is totally misleading and erroneous. The majority of the

problem is a result of under-contributions of new entrants.

Mr. Chairperson: Seeing no further questions, the committee thanks you for your time.

Ms. Rizzo: Thank you.

Mr. Chairperson: The next name we call is No. 6, Ruby Hanna. Is Ruby Hanna with us this morning? Seeing no one, her name will be dropped to the bottom of the list.

Number 7, Maggie Keller. Is Maggie Keller here? Good morning, do you have written copies?

Ms. Maggie Keller (Private Citizen): I do.

Mr. Chairperson: Excellent. Thank you for that. Ms. Keller, you may begin when you're ready.

Ms. Keller: Good morning. My name is Maggie Keller, and I come before you as a private citizen and retired teacher. I have no affiliation with any teacher association, either active or retired. Before I begin, let me take this opportunity to thank the committee for hearing my presentation regarding Bill 45, The Teachers' Pensions Amendment Act.

First, I wish to state that, as a retired Manitoba teacher, I support Bill 45, The Teachers' Pensions Amendment Act. I retired on January 31, 2008. In February I became aware of the Sale report and its recommendations to correct the inadequate capacity of the Pension Adjustment Account. I read it and therein I began a quest to make myself as knowledgeable as possible about this very complex issue which would directly affect my pension now and for years to come.

Along with many teachers, I was already aware of the mismanagement of our pension fund, specifically the COLA, since the issue began being talked about in the late 1990s. I also knew that in order to fully understand this issue I needed to frame it within the context of the last 25 years of the Manitoba teaching profession. The myriad of past events was bound to have had a direct impact on the present dilemma of the teachers' COLA.

I learned that Manitoba teachers made among the lowest contributions in Canada regarding their pension benefits. As well, due to legislative changes, teachers had begun retiring at age 55 as opposed to 65, and for the most part, the average life span of retired teachers increased, as was the Canadian norm. Notably, one outcome of these changes was that the ratio of active to retired teachers decreased. A direct

result was that less money was going into the teachers' pension fund, while the time span that teachers continued drawing pensions was increasing.

Then, in the late 1980s, Manitoba elected a Conservative government. During the early 1990s, the Conservatives put a freeze on public-sector salary increases. I remember during that time period not receiving a wage increase for several years. As well, teachers endured the infamous Filmon Fridays. If personal memory serves correctly, schools in my division were locked for four days at least one of those years, and all of us active teachers lost pay and did not make benefits contributions for the lost time.

Yet, during those rather dark days for the Manitoba teaching profession, Manitoba retired teachers continued to receive their pensions as well as 100 percent cost-of-living allowance, despite actuarial warnings to the contrary. By 1998, the COLA fund was broken.

How did this mismanagement occur? Who were the players that blatantly chose to ignore the facts surrounding the beleaguered Pension Adjustment Account? It's reasonable to state that these individuals were guilty of neglecting their fiduciary duty toward the retirees, as well as those of us who were in the trenches, working as active teachers and falling further and further behind due to the rising cost of inflation.

But that was then and this is now. The past cannot be changed. It can only serve as a guide and a warning to solve problems so that the same mistakes do not occur again.

The present NDP government has introduced Bill 45 based on the recommendations of the Sale report. Although it does not incorporate all the recommendations from said report, it addresses the core issue, that is, the problem of the funding formula for the PAA. For the first 10 years, the rate of return becomes a three-year average of the better of two annual rates of return, the fund's rate, based on fixed income investments, and the rate of return for the fund on all of its investments.

The 10 years in which the best-of funding formula will be applied to the Pension Adjustment Account is a contentious issue. Many have stated that the time period is simply too long.

In the Sale report, the fund was to be evaluated in 2013, precisely because of the length of time over which the new funding formula was to be

implemented. Unfortunately, this date is missing from Bill 45.

As well, the Sale report made reference, in not one but two places, that, while the base pension fund, account A, is healthy, by 2017 it may not be as substantial in optimum returns. The reason is that the current rate of teacher contributions cannot sustain a strong base fund, as more and more teachers retire and fewer are left to make pension contributions. For this very reason, in 2005, Manitoba teachers gave the current government the go-ahead to increase benefit contributions by 2 percent. However, contributions were only increased by 1.1 percent.

I believe that the question of an underfunded pension plan is as important as the COLA issue. Teachers need to know that their monthly pensions are safe for the future. Ironically, without a strong, secure base fund, the COLA issue becomes moot.

Again, the Sale report makes mention that the task force is to meet in early 2009. Yet this fact is absent from Bill 45. Nonetheless, it would seem that this matter is of some urgency. Hopefully, the pension task force will meet and all parties agree to increase benefit contributions another 1 percent.

In closing, I wish to state that, since February of 2008, I have made every effort to listen to both sides of the argument surrounding Bill 45 and its precursor, the Sale report. I can only state that, as a retired Manitoba teacher, I'd like to see years of fiscal mismanagement regarding our pension put behind us.

* (11:00)

In my life, I learned very early that there are no free lunches and no guarantees but, more importantly, I learned about the power of knowledge in making informed reasonable decisions that will aid in finding solutions to difficult problems.

There has been much vitriolic language hurled about by those who do not agree with either the Sale report or Bill 45. As well, instead of rational debate, I've read reams of letters that have resorted to personal attacks against those who support Bill 45. I cannot believe that these are individuals who would use fear tactics and mudslinging rather than legitimate means to an end.

Ultimately, a plebiscite was held and a majority of Manitoba teachers voted yes for Bill 45. In the cold light of reason, teachers decided it is time to begin to solve a long-term complex problem.

Collectively, active and retired teachers have given Mr. Doer's NDP government the green light that will initiate the process to begin putting our fiscal house in order. Let democracy proceed. Thank you.

Mr. Chairperson: Thank you, Ms. Keller.

Questions?

Mr. Schuler: Thank you very much, Ms. Keller, for waiting so patiently for your opportunity to step forward and make your presentation. We appreciate very much your thoughts which you have put on the record.

Two points. You say that things which were mentioned in the Sale report—one, the fund was to be evaluated in 2013 and, the other one, that the task force is to meet in early 2009. Would you recommend that those would be two very good amendments to make to Bill 45?

Ms. Keller: I do. I don't think they should have been left out. I think they're important. I agree; 10 years is a long time.

We are in a mess here, starting back with this gentleman who built his ditch. It saved Winnipeg but he took money from the Manitoba teachers' fund. Yes, it saved Winnipeg but there has been underfunding ever since and that's contributed to it. Now we are in these crisis periods because of a lot of things that have happened over the last 30, 40 years; they've all contributed. Ten years is a long time. There should definitely be monitoring and definitely it should be checked in 2013.

I feel very strongly that our base fund definitely needs another 1 percent. We teachers in 2005 asked the NDP to do this; yet, they only put in 1.1 percent. We don't make large contributions; we never have historically. It's time to do that. So I would like to see a meeting in 2009.

Mr. Kevin Lamoureux (Inkster): I appreciate the presentation, especially the fact that you had highlighted you were a retired teacher. I think that you're the first retired teacher that's actually come onsite and publicly supported at the committee.

Last night, in fact, one of the presentations that was made, not verbally but submitted to the committee, was from Mr. Doug Adams. He indicates that he is a current teacher in Brandon and opposes Bill 45.

The reason why I bring it up is that the two of you have one thing in common in your presentations.

Both of you address the issue of the past and I quote right from his presentation: The inadequate funding of teacher pensions has been a problem for years. There appears to be no significant long-term funding or plan for long-term funding.

If I look at what it is that you are saying and what it is that this presenter is saying, it seems to me that there is some sort of responsibility for government to recognize its mistakes. Would you not agree then that it shouldn't be the sole responsibility of the current retired teachers to resolve this problem, that there is an obligation on the government also to resolve this problem, and how does passing this bill resolve the problem for those retired teachers?

Ms. Keller: I see it as—and I've talked to many, many people about this. I mean, it's a start. I guess what I've looked at, I've seen this as a problem. I mean, I'm very analytical. I've listened to a lot of emotional stories and I understand that. I mean, I could start about my life story, but I wanted to kind of focus on the analysis. It took me months to read. I mean, I went back and I read the pension act with this notion of 100 percent guarantee. If teachers, and I believe them, were told that they were having 100 percent guarantee, that's not written in the pension act, and I think there have been a lot of people that have believed honestly and have been bamboozled.

I've been asking questions for 20 years about contributions. Twenty years ago, I said, with my colleagues, why do we make such small contributions? Why isn't the government putting in their share? I know that, legally, governments don't have to do that because people know that governments have money and they'll put it in at the end, but it would have helped. Now, we're in a situation that has been building, and I see this as the tip of the iceberg.

I'm going to tell you something. These people aren't going away and I'm not going away. You know, I may say I want to see a start. I see MTS as actually, and Ms. Isaak as actually being the first person that has kind of spoken out very, very clearly and analytically, and she has said things that have, I think, frightened a lot of people and terrified people who'd never thought about it before. But I think that in the end it's a good thing because the more that people understand about this, and it's a very complex issue, I believe that's the way it'll be solved.

Mr. Chairperson: We have reached the maximum time for questions. The committee thanks you for your presentation.

Ms. Keller: Thank you.

Mr. Chairperson: For the committee's consideration, we have received two additional written submissions: one from Evelyn Tycholiz from Kenora, Ontario, and one from, I'm going to guess that is Don MacDonald and Tanis MacDonald from Whitemouth, Manitoba. Is it the will of the committee to accept these written submissions as part of the official record? *[Agreed]* Thank you very much for that.

The next name on the list that we call is No. 8, Nancy Kostiuk. Is Nancy Kostiuk here this morning? Seeing no one, the name is dropped to the bottom of the list.

Number 9, David Quinton. Is David Quinton here this morning? Seeing no one, his name is dropped to the bottom of the list.

Number 10, Georgina Jarema, or Jarema. Apologies if I got that wrong. I said it twice, so one of the times I said it was wrong.

Thank you for coming here this morning. Do you have an oral presentation for us or written copies?

Ms. Georgina Jarema (Private Citizen): Yes, oral

Mr. Chairperson: Oral? That's fine. You may begin when you're ready.

Ms. Jarema: All right.

Mr. Chairperson, members of the Legislature, my name is Georgina Jarema. I come here to speak in opposition to Bill 45. While I was teaching, I did not have time to read the newspaper often, but now that I am retired, I actually can sit down to have breakfast and also to read the newspaper. A recent article by a Winnipeg lawyer, Robert Kravetsky in his article, "This time, full disclosure," *Winnipeg Free Press*, July 13, really got my attention. The government has been spinning big myths about private funding, it said. He writes: "As recently as June 26, Premier Gary Doer went on the radio and declared that the True North arena was two-thirds funded by the private sector. In the past, the proportion has been said to be as high as 75 per cent."

* (11:10)

Mr. Kravetsky has managed to obtain the master funding agreement and did not want taxpayers to have a big chunk of their money given away to private owners of a public-use facility, a football stadium, without ever having their political leaders give them the straight goods about how much they were giving away. According to the master funding agreement, 69.2 percent came from taxpayers and 30.8 percent came from private owners.

He went on to say, so, really, the people who get all of the profit and have all of the control of the arena put up less than a third of the capital and, as already noted, only 15 percent of the total cost.

The owners got a minimum of \$3.7 million in income every year for 25 years from the Province and the City. The sweetheart part of the deal for the private owners is they are guaranteed these subsidies for 25 years, whether they need them or not.

Also, he said, an ingenious provision of the master funding agreement required the province to create a special property tax assessment class for the arena site, one that makes the owners liable for property taxes based on 10 percent of the assessed value of the property. By contrast, farmers pay on 26 percent of the value of their property, homeowners pay on 45 percent of the assessed value, and most businesses on 65 percent.

So why am I telling you this? It shows that creative ways can be found to accomplish things that the government wants to accomplish. The government is willing to offer sweetheart deals. The government has money for sweetheart deals. The government may not be telling you the truth.

So now the question is, does the government want to find a long-term solution to the COLA funding shortage? So far, I think not. If they were, they would have asked for advice from someone with pension expertise, like someone who had solved the problem in other provinces. They would have made sure that active and retired teachers had copies of the Sale report and RTAM's response to the report. They would have provided an analysis of the impact of the report to active and retired teachers. They would have allowed time for active and retired teachers to ask questions and get answers from the government, MTS and RTAM. They did not.

Without doing these things, it appears that there must be something to hide. The government can and should implement the amendment to the Sale report that all parties agree to.

I would like to respond to the MTS executive member who said that he was being responsible by making other investments for his retirement and not only relying on his teachers' pension. I put money into a registered savings plan until I retired. I would put in the maximum amount I was allowed, which was about \$130 in the mid-'80s when the plan became available to people who had a registered pension plan. I would bet most teachers did as well because of the tax savings you get. Some of these investments are doing well, and some, like Crocus, did not. Most of my early investments were in mutual funds. The first time I ventured into the stock market was when the Filmon government sold the Manitoba Telephone System. Other teachers did as well. It was a good investment because it paid dividends. Buying Nortel stock turned into a disaster. The stock market is not doing well lately.

Yes, Gary Doer, you are a bully. As you said on the radio, RTAM told you that it would not support the Sale report because its members were telling them the same thing. So what do you do? Get the MTS president to say that she represents active and retired teachers, but does she get time to meet with them to give an explanation and answer their questions? No. The second reading of Bill 45 is the first time retired teachers have the opportunity to say to the government, stop, we have questions that need answers. Thank you.

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

Questions?

Mr. Schuler: Thank you very much for waiting so patiently and taking the opportunity to have your presentation put on the public record.

You know what? Others have brought up this issue and we haven't really picked up on it, and it really does have to do with the Sale report, and then came the results of the plebiscite, and then the introduction of Bill 45. You're absolutely right. I, as the Education advocate for the PC caucus, didn't know about the bill until right before it was introduced. I was surprised at how quickly it came. I suspect the minister spent 24 hours a day after the results to make sure that legislation was written in time because we can't suspect that he had it written ahead of time, so he must have—we wouldn't want to charge him. That's obviously, they had to work 24/7 to sort of get it done.

I was surprised at how quickly it came forward. That's the problem we have as the opposition is not just do you have not much time to go through, you know, what it all involves and what it entails, but we as the opposition also. In fact, the government had been pushing for us pushing this through yet in the last sitting. That's actually what they had indicated to us they wanted done. The hurry-up is a big concern because if I don't have access to all the information, then how would you?

We appreciate your comments very much and appreciate the fact that you waited this long to put those on the record.

Mr. Chairperson: Thank you very much for your time with us.

The next name on our list, No. 11, Alvin Wieler. Alvin Wieler. Seeing no one, their name is dropped to the bottom of the list.

June Wieler. June Wieler is dropped to the bottom of the list.

Number 13, Paulette Hughes. Paulette Hughes is dropped to the bottom of the list.

Number 14, Debbie Siegel. Debbie Siegel is dropped to the bottom of the list.

Number 15, Charlie Siegel. Charlie Siegel also dropped to the bottom of the list.

Number 16, Jan MacPhail. Is Jan MacPhail here with us this morning? No? Her name is dropped to the bottom of the list.

Number 17, Norman Grywinski.

Mr. Norman Grywinski (Private Citizen): Mr. Chairman, I would like to ask if I have the option to keep my presentation, and I'll hand it out to the committee after my presentation.

Mr. Chairperson: Yes, sure.

Mr. Grywinski: I could give you an explanation.

Mr. Chairperson: Just a brief moment while we get the clock started. Your 10 minutes has begun.

Mr. Grywinski: Okay, the reason for that is some members of the committee and myself have noticed that members are multitasking, whether it's on a BlackBerry, whether it's reading a magazine. I didn't want my presentation in written form to distract them from what I have to hear. So, just like my students, I say, put your hands on your desks and pay attention.

My head is spinning right now because of probably three nights of probably getting maybe two hours of sleep every night. I would leave after hearing wonderful presentations by the people that are opposed to Bill 45 and also the people that are in favour. So much information that you go back, you lay down at 1 o'clock and you check your watch and it's nearly 4 o'clock. Today it was 5 o'clock before I fell asleep.

I have many words in my head right now. Some of them aren't very nice, so I won't say them. Some of them are words that I heard and some of them, I feel, are words like bully, abuse, sham, kangaroo court, feelings of sadness and sympathy for some people that came here and actually broke down, anger and, as of yesterday morning—and I think I've calmed down a bit—absolute rage.

* (11:20)

The reason for that is—and I would ask the members of the committee and the audience, if I am exaggerating what I am going to read, if you don't believe me, go to cjob.com and click onto the audio vault. Barry Burns, the announcer, stated: Premier Gary Doer believes his government is doing the right thing by offering up to two-thirds inflation COLA increase to retired teachers.

Then they had a sound clip from Mr. Doer. I say that the smiling Mr. Doer said: There are some people who think we should be using taxpayers' money to pay for 100 percent COLA increases. We believe that this is a good compromise. It's expensive for the taxpayer; it is more dignified for retired teachers. I—and this is the Premier—cannot believe that we are spending money—and then he laughed or chuckled—and we're getting flack. He paused and then said: That comes with the territory.

That was when I nearly choked on my toast I was eating at 10 o'clock in the morning.

I have a number of questions. I don't expect any answers but, since this is my show for the next 10 minutes, this is what I want to do.

My questions: (1) Why was the plebiscite held?

(2) Was this voting exercise a plan to show all active and retired teachers and general taxpayers that those opposing the Sale report and Bill 45 were a small, vocal, greedy, misinformed group of retirees?

(3) Does the government hold these hearings in the same light as the plebiscite, that is, protest, talk all you want, but Bill 45 really is set in stone?

(4) Supporters for the Sale report and Bill 45 stated that mistakes were made in the past. However, they said, the past is the past; get over it. If I hear this one more time, I will get physically sick in this room.

(5) Who made the decision to pay full COLA when the auditors were warning for 20 years that this part of our pension was not sustainable? Who was doing this? Who?

(6) Why did the present government refuse to increase pension contributions when MTS requested a 2 percent increase and the government only agreed to 1.1? Did MTS have information that the 2 percent increase was necessary to maintain our main pension fund?

Is our main pension plan sustainable with 1.4 active teachers contributing and 7 greedy retirees withdrawing? Are there warnings that will be ignored, similarly to the COLA issue? Did MTS and their yes campaign clearly inform the members that, in the next 10 years, they may receive a COLA anywhere from zero to two-thirds CPI?

All I've heard is two-thirds, two-thirds, two-thirds. I didn't hear up to.

The last question that I have is: When did MTS become a spokesperson for the government? Numerous individuals stated that to return our COLA to a healthy state will require more money than the government can afford. How do they know this?

The government just borrowed \$1.5 billion to pay back the teachers. I heard yesterday they also borrowed \$1.8 billion to put into the civil servants. If I'm wrong, someone will correct me. Can you borrow money? Where's the \$135 million coming from that is supposed to be going into the COLA portion over the next 10 years?

Now, for my written presentation—I hope I have some time yet. My name is Norm Grywinski. I've been an educator who has been retired for the past five years. I retired at the age of 63, and the reason was that I did not believe the words coming from the government, the words coming from MTS. I believed the auditors.

I have heard for years that, if you do not increase your payments, your fund is in trouble. So, in the eight years that I worked extra, I topped up my registered retirement plans to the max. I saved. I think I'm in better shape than some of the individuals that are coming up here. Maybe they were more

trusting. I wasn't. It's not my nature not to trust people, but something told me: Work longer. And I'm absolutely delighted that I did this.

I guess, I may say that I'm not in agreement with most of the recommendations of the Sale report. I strongly oppose the proposed Bill 45 legislation. During my four years of retirement, I have seen my purchasing power of my pension diminish each year. This is due to the fact that COLA was less than CPI. I believe the adoption of the Sale report, in Bill 45, will not address the erosion of my pension for the next 10 years. I am insulted and dismayed by the take it or leave it attitude of the Honourable Peter Bjornson, who I'm assuming has the complete support of the NDP government on this pension issue.

I am also at a complete loss to understand the following. How can the Teachers' Society support a report on a bill that will negatively impact all present and future retired teachers to pensions that will be reduced by inflation in the next 10 years?

Now, I am ashamed to admit that until I retired my interest in my pension plan and COLA was minimal, I actually assumed that all was well with my plan. Any time I was told to increase my contributions, I did. However, I have since learned that this assumption was absolutely wrong. As a working educator, I now see that I should have been more actively involved in questioning the wisdom of decision-makers during the last 15 years in regard to what was happening to our pensions.

The lack of interest that I had I believe still exists with many educators to this day. The fact that only 44 percent of all 25,000, now I hear it's 33,000, active and retired teachers, and the ones that are on leave, whatever, voted in the recent MTS plebiscite, demonstrates to me a lack of concern and interest. Others, for both sides, may say, if you didn't vote yes, that means you supported it. If you didn't vote no, it means that you knew you didn't have a chance to even get your thoughts on paper.

The plebiscite, the results were 52 percent yes and 48 percent no. This minimal difference of 497 yes votes, in my opinion, is not a resounding endorsement of the Sale report. I'm wondering why the plebiscite was held. I believe that MTS and the government felt that, with the advertising, with the information that they could pass to the general membership, they would have a—

Mr. Chairperson: One minute remaining.

Mr. Grywinski: –resounding vote that would strongly support both the government and MTS. I suggest that this was a failure.

The yes campaign—I said full page; I hear that it was half-page—ads, did not appear to convince an overwhelming majority of individuals of the wonderful benefits of the Sale report. I would ask the members of this committee to refer to—and I will give it to you. I attached three documents, the January 3, RTAM letter to the Minister of Education (Mr. Bjornson), January 24, RTAM board response to the Sale report and January 14, RTAM 2008 press release. I am in full agreement with these three reports.

In conclusion, retired educators do not magically change into cranky, misinformed, greedy seniors the moment they retire. As one of these individuals—

Mr. Chairperson: We're at the 10-minute mark. I appreciate that you're in your conclusion, but—

Some Honourable Members: Leave.

Mr. Chairperson: We have leave in lieu of questions. Thank you.

Mr. Grywinski: As one of these individuals, I am requesting that the government of the day revise Bill 45 to fully address the legitimate concerns of thousands of retired and soon-to-be retired educators.

The final thing that I would like to say is I am positive that there will be another hearing 10 years from now. I hope I'm here and I'll probably be crankier like some people have said, that many of the teachers that are working right now, when they realize that it is not two-thirds, it's up to two-thirds, 0.7. They will also be here, saying, we did not understand and we did not fully comprehend what the government was proposing. Thank you.

Mr. Chairperson: Thank you for your—*[interjection]* Order. Just for everyone's information—I know this has come up before, but for those who may not have been here previously, the rules that apply in the Chamber are the same rules that apply in committee. Members of the public, when they are attending committee or when they are in the gallery of the Chamber, are not allowed to participate through applause or any sort of comment at all. So we would ask you to respect the rules of the Legislature in this regard.

With that said, we'll now pose questions with the time remaining for our presenter.

* (11:30)

Mr. Schuler: Yes, thank you very much. Mr. Grywinski, it's great to sit at a table again and hear you present. I miss those days from the school board where you were an assistant superintendent. Your presentation was done with the same integrity and credibility as you made presentations when I was a school trustee.

It's great to see you again. Again, I mean what we are talking about isn't a COLA or a guaranteed two-thirds. We're actually talking about an offer of less than two-thirds. It cannot be greater than. It's two-thirds or less, so it's less than two-thirds. Clearly, the committee has heard that. You've been part of a lot of negotiations. You and I sat at the same table and talked about it. Take whatever time is left if you need. You tell us in your learned opinion, where should we be going from here, and you know, keeping in mind the division between—like all educators, whether you're active or retired, you're all educators. You're professionals. Where should we be going?

Mr. Grywinski: I believe the government has the power to do whatever they feel is right. They borrowed money to put into the main pension plan. They borrowed money to put into civil servants' plan. They can borrow money. I don't know where the \$135 million is coming from. Are they borrowing it? Do they have a surplus fund? What are they doing?

Governments have—and I'm not going to mention specific cases because I don't want someone arguing saying this is not similar, but governments have addressed issues that have been simmering for over a hundred years and some of them have been rectified recently. A lot of times money was involved. The issue is money.

Perhaps I can just digress a bit. MTS, in my 41 years that I have been as an educator, I have never heard once MTS ever advising negotiating committees dealing with trustees—never say to yourself, can the trustees afford this? You went in with a shopping list that you felt was fair, and then you negotiated. If you couldn't reach an agreement, you went to arbitration, and that's the way things were held. Why is it that The MTS now is saying there is no money and we should not be asking for either a full COLA or a full guarantee for two-thirds? Are they now going to start advising their negotiating committees when they negotiate with the trustees: Trustees are saying they haven't got any money, they haven't got enough money from the

government, so stop asking for smaller class sizes, stop asking for cost-of-living increases? It just goes on and on and on.

Mr. Lamoureux: I guess it's almost just a comment in regard to your opening remarks. There are a number of questions that you pose as many other presenters have put forward. Many of those questions will be put to the minister and his staff once we get out of the public presentation part when the MLAs kind of go into the clause by clause, and if you're able to be here for that part, you'll hear it first-hand. Otherwise, you can get a printed copy for it. We go way beyond our time if we started to answer questions about why the plebiscite. I'm forming opinions on that. I'm forming opinions on a lot of things as I'm sure other committee members are. There will be a written, if you're not here, response to many of the questions that you raise.

Mr. Grywinski: Thank you.

Mr. Chairperson: Mr. Grywinski, you have 15 seconds.

Mr. Grywinski: Mr. Schuler and Mr. Lamoureux, if you're elected as the majority government next time, can you see that you put screens on the windows here? I think it is disgraceful that we open it up when governments are advertising check your screens and things like this and for three days we have been fighting mosquitoes, killer moths and sand flies coming into this room. You may laugh. You think it's funny. Governments have spent hundreds of thousands of dollars spraying the entire province—

Mr. Chairperson: Order. Time has expired.

Mr. Grywinski: Thank you very much.

Mr. Chairperson: Thank you for your time.

Mr. Grywinski: This has been better than a workout.

Mr. Chairperson: The committee now calls No. 18, Linda Asper.

Just as Ms. Asper is taking the podium, I have two pieces of information for the committee. One is a substitution.

Committee Substitution

Mr. Chairperson: I'd like to make the following membership substitution, effective immediately, for the Standing Committee on Social and Economic Development meeting on July 24, 2008, for the

Conservative caucus: Mr. Briese for Mrs. Mitchelson.

Mr. Chairperson: Also, for the committee's information, the aforementioned speaker, No. 161 on our list, Mr. Alfred Dubé, has now phoned in and indicated that he won't be attending and has no submission, so his name can be removed from the list as a withdrawal.

We want to thank and apologize to our translation staff for their attendance here today—*[interjection]*—yes, it's a good point, thank you. If there is anyone else in the audience right now, who would like to present *en français*, please indicate immediately to the back of the room, or even just put your hand up. Not seeing anyone, we'll allow our hard-working translation staff to head back to their daily routine.

Thank you for your patience, Ms. Asper. You have a copy of your presentation, and you may begin.

Ms. Linda Asper (Private Citizen): Thank you very much, Mr. Chair. It's good to see that individuals, such as yourself, have made it to the Chair in terms of your career. The last time I had to deal with you, of course, was about the Ralph Connor house in your constituency. It's good to see you in this context.

I appreciate the opportunity to address the committee on Bill 45. As you may guess, I am a member of the Retired Teachers' Association of Manitoba and, as such, I rely on this organization to represent me, lobby on my behalf and look after my well-being as a retired teacher. I expect that of RTAM and not of any other organization.

Fortunately for myself, I have been content to watch from the sidelines as I enjoy my retirement activities. With the information, however, that I have been receiving from RTAM about Bill 45 and the events leading up to its proposal, I have put those pleasant activities aside to come today to support publicly the position that RTAM has taken on Bill 45.

I wish to congratulate my brothers and sisters who have been at the mike, since I came to get a flavour of these hearings last night, for not only the research but also the dedication they've put into their presentations as members of RTAM. I would like to

single out our leadership, Pat Bowslaugh and Anne Monk for their roles.

Last time I addressed the legislative committee was in August '83 when, as president of the Manitoba Teachers' Society, I spoke in favour of the proposed government legislation regarding due process for teachers, which subsequently became law. It was hoisted for approximately six months. I mention that because I have heard some of my brothers and sisters talk about that as an intermediary step for this legislation.

It's very painful for me—and I want to stress the word "painful"—to have to speak against some of these amendments, especially since I served as MLA for Riel from 1999 to 2003 in this government's term of office.

It's very disturbing to me, as an NDP member and a worker in the last election—I note that my MLA for whom I voted is sitting at the table here—to find that this government fails to support its retired teachers regarding our pensions, specifically the COLA issue, in the extent that RTAM has requested.

Regardless of this opposition, however, I want you to know that I value and respect my former colleagues in the House, on all sides, and don't envy you the task of these hearings and the emotions that are involved.

First, let me comment on my perception of the process. RTAM is a relatively new organization in the Manitoba educational scene. It brings together retired teachers of all political persuasions, different educational careers, as you know, and of many needs and aspirations. We represent a wealth of knowledge and experience.

* (11:40)

I do hope that there will be an improvement in your relationship with RTAM. I understand, for example, that RTAM heard about the plebiscite results through the media. That doesn't sound like positive communication channels to me. Should not the president or her designate have been contacted and given the results? If I were still a politician, I would be courting RTAM, both at the provincial and local level, that is, the RTAM chapter in my constituency. I urge you to treat RTAM with respect as a player and an advocate in the educational community.

I also suggest, in terms of process, that senior citizens, that is, RTAM members, who are as old as

105 years, should not be subjected to hearings held only in the evening from 6 p.m. to midnight, and, as we heard one of the presenters earlier say, it doesn't end there. There is also the sleepless night that follows, because we take this very seriously. Last night, when I left at 12:20, I chatted with two RTAM members from Portage. They were going to get into their car—I assessed them at being, in age, in their 70s—and drive to Portage. One of them cancelled his activity today to be here, that cost him \$80, I might add, so that he could continue with his dedication to this task.

Was it not possible to have at least one day-time hearing before this to facilitate the presence of our members? As I mentioned, some of our members don't go out at night. If they do, they live out of town and do not want to travel home in the dark. I, personally, even though I'm not in my 70s yet, do, I'm very reluctant to be on our streets after 10 o'clock in Winnipeg. Some of our members are being deprived of the opportunity to address you directly in person, given this meeting schedule that you've held. Now, I know you have this additional meeting this morning, but this could have been done earlier so our members could have participated more fully.

Again, on process, I participated in a plebiscite regarding my pension, and I voted no to the question asked. Unfortunately, not all RTAM members had the same opportunities that I did to review, digest, discuss, and try to understand the matter at hand. I know that because of the phone calls that came in to our house, not necessarily for me, because I'm not the expert on pensions, but my husband has been. Not all live in the city or were in the province in the time line given to respond.

I think that the plebiscite process was flawed. It did not provide the right conditions for RTAM members to participate fully. Despite the ample resources that were poured into the yes side of the plebiscite, there was the 47 percent vote against the matter, which, in my mind, is solid opposition. This bill should not be motivated by or defended by the plebiscite results.

I've mentioned again that I don't pretend to be an expert in teacher pensions. However, I do believe that the amendments in Bill 45 do not produce a long-term solution and provide no certainty of an adequate COLA for retired teachers, and I've summarized it in that sentence. You've had many presentations identifying the areas in that, so I have decided not to go into detail.

I contributed, as others who have expressed themselves, to the pension fund during my educational career, with an understanding that I would be treated fairly. Other presenters, as I say, have elaborated on these concerns with the specific amendments, so I am not going into detail. My main concern, however, is the effect of an inadequate COLA of the past as well as the impact of this Bill 45 on those retired teachers with small pensions. The majority of these retired teachers are women, and, again, other presenters have addressed this. The reasons for their small pensions can be attributed to societal circumstances under which these women worked, such as the absence of the right to maternity leave, the absence of adequate child care, past policies of some employers to terminate female contracts when they married—

Mr. Chairperson: One minute remaining.

Ms. Asper: —or when they became pregnant, child-bearing years that interrupted female teachers' careers and thus their pension contributions, women denied promotion to positions of responsibility and thus greater pension contributions, biases against older women and immobility for employment and promotions on the part of women due to expectations to defer to a husband's career location.

For a government that takes pride in the number of women elected to the Legislature, I would hope that it would have the well-being of these retired female teachers at heart as they live their last years. It has really struck me and what I've heard since the early yesterday evening, the number of people speaking here who have referred to are you hoping that I will I die and the problem will go away. I mean, you know, this gives you an idea of the fear and what is in our brothers and sisters retired teachers' minds.

So I would hope that you would have the well-being of these retired female teachers at heart as they live out their last years needing adequate protection against erosion to their pension incomes.

To summarize—

Mr. Chairperson: Order. We've reached the 10-minute mark.

Ms. Asper: —I ask you to improve your relationship with RTAM and accept and respect its role as an advocate for retired teachers. I really don't think the Premier (Mr. Doer) realizes what he's let happen here, but you're going to have a very strong or stronger political force on the educational scene as a

result of this fiasco. And to reconsider the amendments in Bill 45 that do not give a fair COLA to retired teachers and, in particular, to improve the situation of retired teachers who receive small pensions, the majority of whom are women. Much advice has been given to you in the presentations opposing aspects of Bill 45. There should be room for government to review the amendments in light of this feedback and modify accordingly. I wish you well in that process. Thank you.

Mr. Chairperson: Thank you for your presentation.

Questions?

Mr. Schuler: Yes. Dr. Asper, it's great to see you back at this Legislature. Although we did sit on opposite sides of the House, I always had amazing respect for you, and again, the integrity with which you conducted yourself as an MLA, you did today again in your presentation.

You made a very telling observation, the Premier doesn't probably realize, you know, the impact, or however it was that you worded it. Actually, I would have to tell you I don't think any of us did. You know, we've sort of come to this committee, and the presentations, the emotion, you know, the fear that you talk about, I mean the kinds of things that were said over the last three days and now today, the fourth day, have actually been shocking. I've said to the group here before, that I go home and I find it difficult to sleep because of the kinds of things I've heard. I mean, it really is an emotional process to go through.

So I think for all of us it's been a really interesting process, and it's been a good process to get this out in the open because I think we as legislators, we as a Manitoba Legislature, now have heard the impact of our decisions on men and women and, predominantly, I think, on women, and really appreciate you coming forward, for the patience you've had to wait this long. As always, great to see you again at the Manitoba Legislature.

Mr. Chairperson: I didn't hear a question in that, but if you want to comment, you may, Ms. Asper.

Ms. Asper: Neither did I, but when I saw Ron for the first time in five years last night, I asked him if he was a grandfather yet. Of course, he informed me he's still at the teenage years. I personally can't think of anybody that I wish more the teenage years to as a parent.

Mr. Chairperson: Wow. Mr. Lamoureux, if you dare.

* (11:50)

Mr. Lamoureux: Yeah, I won't go there, but I think that you bring to the table a very interesting perspective. You've heard many of the presenters talk and appeal, in particular, to government members in hopes—and there is an expectation. Some made reference to a flicker of hope that the government would do the right thing, listen to the presentations and then act accordingly, whether it's, as the Conservatives are suggesting, a six-month hoist, which has a great deal of merit, to scrapping the bill. The presentations from at least the retired teachers' perspectives have been very clear.

You've sat on the government benches inside the committee. You're familiar with the structure and what will likely happen. Is there anything that you could leave or the type of message that you could leave with the government members as to what they should be doing with regard to this bill?

It took a lot of courage for you to even make a presentation because of your past affiliations. What one message would you give to the government members of this committee in terms of opening their minds to, hopefully, doing something with regard to this bill?

Ms. Asper: Thank you for the question.

I think that, having had similar experiences to what the government MLAs at the table are going through right now, first of all, step back and have a deep breath and try to get the threads that are throughout the presentations in terms of the points where there is some commonality.

By that I mean listen to RTAM and try to come to grips with some the ideas that the president and others have expressed. Others have said that the problem needs to be dealt with; of course, it does. I congratulate the players in trying to deal with the problem which has been there for many years, but I don't think Bill 45 is your solution. I think you have to step back and take a look at some of your amendments in light of what has been said.

I guess my main point is listen to retired teachers. I don't know, from your process, that that has happened enough. That's what we're all here doing, trying to ask you to do that. The situations—I'm very sad about the stories I heard last night, about some of my colleagues and their financial situations.

That's why I put an emphasis on teachers, particularly women with small pensions, so you look at that group as one of the needs.

I'm sure my former colleagues in government will take this advice and, at least, re-examine and, as I say, I hope the Premier (Mr. Doer) listens. Thank you.

Mr. Chairperson: Thank you for time with us, Ms. Asper.

For the committee, just before I call the next name, we have received some more written submissions from the following persons: No. 118 on our speakers' list, Daniel Kiazzyk; Margaret Hamilton is No. 179 on the list and Eugene Yarish, No. 147, and before you ask, yes, he is related to our hard-working Clerk, distantly. That needs to be emphasized, apparently.

So No. 118, Daniel Kiazzyk; No. 147, Eugene Yarish; No. 179, Margaret Hamilton, can be noted as written submissions and deleted from your active speakers' list.

Does the committee agree to have these documents appear in *Hansard* transcript? [*Agreed*]

The next name on our list, No. 19, Aubrey Asper. Thank you for the written copies, sir. You may begin your presentation when you're ready.

Mr. Aubrey Asper (Private Citizen): Mr. Chairperson, members of the committee, this will be anticlimactic after the previous speaker, at least, and certainly after the presentations. Incidentally, on both sides, I was impressed with the representation from MTS, as well as those of my new group that I'm associated with, the retired teachers.

I've made my presentation deliberately short because, in terms of the background and the necessary information, that has already been presented. I've been here since the beginning, Monday night. I've heard it all. Now some of the submissions I didn't see or hear because they were written submissions given to you and no one at the podium read from those, but I do think that the background that you've already provided on the anti-Bill 45 side from people like Tom Ulrich and Anne Monk, and certainly the excellent presentations from MTS on the other side, the executive members, is sufficient, and I don't intend to repeat any of that.

I, also, as a preamble, want to mention, as Linda Asper did, this is extremely difficult for me. Given my long association with the Manitoba Teachers'

Society, this is the first time I've ever had to speak in a public forum where I am not supporting a position that they've taken, and I don't do it lightly.

Again, if I may now refer to the written part of what I want to say.

Thank you for the opportunity to present my personal reaction to Bill 45, which, if enacted, would legislate, among other things, provisions for cost-of-living adjustments for Manitoba retired teachers.

Since some members of the committee do not know me, I would like to mention that I have served 42 years in education, 40 of which have been in this province. In that time, I served seven years on the provincial executive of the Manitoba Teachers' Society, including a term as its president. My first 19 years of my career were also in the classroom as a mathematics teacher. The final 20 years of my career were spent on the staff of the Manitoba Teachers' Society, retiring as its general secretary.

I mention these facts not to suggest I bring a special expertise, and I emphasize that, not to suggest I bring a special expertise to teacher pension issues, but rather to seek understanding of my long-term historical attachment to the advocacy for improvement in educational conditions. This would include early involvement in the improvement in teacher pensions going back to the 1963 legislation which introduced the defined benefit model, the combined final earnings service model for determining pensions. I also was involved in some of the things that preceded that.

Madam Vice-Chairperson in the Chair

I chaired pension committees of the day and also, as a staff member, initially was attached to the pension responsibilities. In later years I had a more peripheral involvement in pension issues, and I've been retired, I retired at nearly 64 years of age, and I've been retired for 15 years.

In appearing before this committee, first and foremost, I wish to express support for RTAM and its positions in reaction to the proposed legislation. I would concede that the funding changes proposed for the Pension Adjustment Account, if unconditional, seem to be an acceptable improvement. The neglect in this area over the past number of years has exacerbated a problem which was flagged some years earlier. The concerns in other areas, as expressed in the RTAM submission, have been identified and will not be repeated here, except to say, again, that, as an individual RTAM member, I

urge you to address these matters with appropriate remedies.

* (12:00)

I ask that the committee and the Legislature keep in mind that the group immediately and directly impacted by this legislation is largely opposed to it, retired teachers. If passed, the appearance to me is that government is imposing legislation directed at solving its own problems regarding the nuisance of years of complaints rather than finding a resolution to the present problem of current pensioners. This implies that either government can do no better or believes that it knows what is best for current retired teachers. If it is the first, respectfully I must disagree; and if the second, that bears the appearance of condescension.

It would concern me if the government has rationalized its introduction of Bill 45 based on the flawed plebiscite process of the late spring. I do not know what proportion of the response in this vote was from active teachers or retired teachers. I do know that considerable resources were used to encourage the yes vote on the part of active teachers. Beyond that, there were many failures in the process which introduced many elements of unfairness, and these have been alluded to by other people. I don't need to go through that again. Evidence of the unreliability of the plebiscite and its result is the opposition to Bill 45 faced by this committee today, tonight, last night.

If the committee cannot propose amendments to satisfy the concerns raised within the RTAM submission or cannot provide remedies for the unacceptable provisions of Bill 45, I suggest an interim measure of relief for current retired teachers would be in order. I believe it would be consistent with the RTAM position if there be an unconditional implementation—and there's an obvious typo here—implementation of the proposed change in calculation of funding income for the Pension Adjustment Account, a granting in the current year of a COLA at least equivalent to that contemplated by Bill 45 and deferring the other contested matters to the next session of the Legislature. The expectation would be that those affected by the COLA—most affected by the COLA—issues in the near term would, through their representation by RTAM, be afforded an opportunity to obtain a satisfactory resolution of this problem. It is my belief that meaningful discussion with the stakeholders and

especially RTAM could bring about that satisfactory conclusion.

I just want to make one other observation, because it popped into my mind. I guess what disturbs me about both the bill and the position of support that it has received from MTS is that there seems to have been a focus from those parties on the issue of maintaining the sustainability of the core pension. That's important. I don't dismiss that. Where I think the weakness has been is that that strong focus has not allowed sufficient attention to be devoted to the more immediate problems faced by a large number of retired teachers, and that issue, of course, relates to the maintaining of income against the ravages of inflation. So I do think that that's where if—I hesitate to use the word "failure"—but that's certainly the thing that I'm concerned wasn't sufficiently well addressed because what is in Bill 45, as you've heard from so many others, doesn't offer the solution or an adequate solution. Thank you.

Madam Vice-Chairperson: Thank you.

Questions for the presenter.

Mr. Schuler: Yes, thank you very much, Mr. Asper, for taking the time to sit here night after night waiting for your opportunity to speak, and, you know, after having heard Dr. Asper and now having been able to hear you—I've, of course, worked a lot with Dr. Asper, your wife. You know that saying that behind every successful woman there is a man, and we finally met him. Now we know why she is so successful and very nice meeting you.

I just want to refer to a presentation that was made a while ago, and I'd like to quote from it: You know it's interesting. I was a delegate to the 1993 MTS AGM and I went back to review what our organization was saying about inflation protection at that time; 1993 was a significant year—it mentions you—Aubrey Asper, who is making a presentation at these hearings, was the MTS general secretary.

He then mentions Terry Clifford, Anne Monk, Tom Ulrich, and says, you, the committee, concluded that the provision for inflation protection is adequately addressed in the present arrangement at the current level of inflation.

Can you explain to us what this individual means with this statement? It caused quite a bit of consternation at the committee. Could you just clarify that for us?

Mr. Asper: Well, certainly, I was still general secretary in 1993. The gentleman who indicated that in his submission had talked to me and, in a sense, I had some forewarning that there was going to be a reference to the 1993 AGM, though not to me, personally.

As general secretary, I suppose I have responsibility for everything that goes on, but I would point out that reports of committees, and this was excerpted from such a report, these are not vetted by the provincial executive, or by staff. They are reports for information that go to the membership through the AGM, and, should anyone wish to act on any recommendations in such a report, and so on, the AGM would do that.

I'm not trying to duck responsibility, because, certainly, within a month after that, I was gone, and it would have been referred to the incoming committee. What happened to it, I don't know, because I closed the door when I walked out and tried to pursue other interests.

I don't know what is meant. If there is a suggestion that I had some responsibility for what is written in that report, I did, to the extent that, I suppose, the general secretary has for all operations of the society. It went forward as information.

Mr. Lamoureux: If I was a teacher during the '70s, '80s and '90s, and just continued to be in the classroom, quite often you build kind of an expectation, if you just kind of have a bit of trust in those interest groups that are there to advocate on your behalf.

It was an interesting document. It was the Manitoba Teachers' Society '75-76 handbook. I read from this, and it goes, in part: For a full effect of the change in consumer price index for the years '72, '74, '75, and then you hear from individuals such as yourself.

It seems to me that there would have been a mindset in terms of the COLA issue, pensions, and people seem to be of the opinion that everything was okay.

Again, if I'm just a teacher, like, I'm a member of MTS, but I'm just there in the classroom, I'm enjoying what I'm doing and I have no aspirations to be getting involved in the internal politics, I'm very reliant on the government and MTS to be protecting my pension issue, especially if I'm at a younger age. You tend not necessarily to really follow it.

Would you provide maybe comment on that?

Madam Vice-Chairperson: Mr. Asper, and you have about 20 seconds.

Mr. Asper: Well, I think your observation is correct. You heard it from many of the retirees who appeared here today, that it wasn't until they were very directly impacted by what was happening that it got their attention. Yeah, there was an expectation people would look after them, and I understand that.

*(12:10)

Madam Vice-Chairperson: Thank you very much, Mr. Asper.

The committee calls Karen Wiebe. Ms. Wiebe, do you have a written submission? Okay. The Clerk will come and take that from you and circulate it. You can proceed.

Ms. Karen Wiebe (Private Citizen): Okay, thank you.

Madam Vice-Chairperson: Maybe you just want to bring the mike down just a little bit. Thank you.

Ms. Wiebe: Good afternoon, and thank you for holding this committee meeting regarding Bill 45 and giving us an opportunity to speak at it.

My name is Karen Wiebe. I come to you today as a private citizen. I've been a music teacher for 32 years. I started my career in the Hanover School Division, and I've spent the last 27 years in the former Fort Garry School Division and now the Pembina Trails School Division. I've taught all levels from grade 5 to 12 and am currently teaching English at the Fort Richmond Collegiate. I've been involved in my local teacher association, an association of 1,100 teachers, since I started teaching and I have served as chair of several professional development committees as vice-president, president and past president. Currently, I am on my third term as an elected member for the Manitoba Teachers' Society.

I'm here presenting to you to show my support for Bill 45. One of the biggest concerns of every Manitoban is retirement, and teachers have long put their faith in TRAF. So, when I say that a COLA is important to every teacher, past, current and future, I'm speaking about my own concerns about COLA as well as speaking as a long-time member of the plan.

The current government asked former Cabinet minister Tim Sale to review the cost-of-living

adjustment for retired teachers and come up with recommendations as to how to provide some sort of reasonable COLA for the future. As long as I have sat on the provincial executive of the society and for many years before that, there has been much discussion as to what the needs of retired teachers are and how to address those needs. I would say that it is time to address those needs now. Mr. Sale's proposal makes some excellent points that I support.

His first point: All future benefit changes must be actuarially sound, and then later on in his discussion about that: and properly funded. The last three words, "and properly funded," are added in the notes after the recommendation. I hope that the minister will take them as part of the actual recommendation.

As far as the recommendation itself, it appears to me that we got into this mess because we did not heed the warnings of the actuaries of the day. It has long been of concern to me that when professionals are hired for their expertise, some choose to ignore their advice. That often creates all kinds of problems and has, in this case, also done so.

Mr. Sale suggests that this first recommendation should be a binding policy to the TRAF board. I agree. However, there is not presently a mechanism to make it binding. I suggest that a mechanism be created in order to make this a binding policy. I believe that it is incumbent that we listen to the advice of those we pay for their expertise.

Number 2: The current contribution level may not be sufficient to sustain the basic benefit. Mr. Sale's report and Bill 45 provide a mechanism to get more money into the account that pays a COLA for retired teachers. As a member of the plan, I hope that the minister will agree to at least a 1 percent in funding to the plan in the future. That will bring it close to the 2 percent that we asked for in the past in order to increase the amount of money going into the account to pay for COLA for retirees.

Number 3: The appropriate goal for COLA is two-thirds CPI. There is no guarantee of a COLA for retired teachers. Right now the COLA account can afford to pay almost nothing in terms of COLA. It is important to have reasonable goals that can be achieved rather than goals that will never be achieved. In fact, it was caving into the expectations of the retirees of the day that contributed to the failing of this fund. A two-thirds cap on COLA is

reasonable and will help to ensure that the fund is maintained.

Number 4: The current level of the PAA is insufficient to provide meaningful COLAs. In order to ensure that a COLA is at all achievable, it is important to put a plan into place. The creation of a reserve fund whose earnings may only be used leaving the capital in place is a creative and smart move to fund the COLA for the future. Regular contributions to this fund will ensure that the fund is working for future generations of teachers and not only those who are currently retired.

Number 5: A 10-year catch-up for the PAA in earnings credited to the PAA. This is a prudent and seamless way to smooth over an opportunity to fund the PAA so that it will be able to pay up to a two-thirds COLA in the future. It will lead the way into a larger fund that is better funded to support the COLA.

Number 6: Creation of a larger PAA comprised of the current PAA and a reserve account. It is an excellent idea that would help to ensure the COLA for the future.

Number 7: Creating a PAA in the provincial share of the fund. This is not part of the bill but is part of Mr. Sale's recommendations. I appreciate that the Province is showing that it intends to match payments for COLA from the account investment invested with TRAF. It seems a good step for the province to establish a PAA account within its share of the fund to mirror the teachers' half of the fund.

Number 8: Streamlining the process of amending the TRAF act. Bill 45 makes provisions that streamlined amendments to our pension plan to avoid having to pass legislation every time a minor change is required. This recommendation is appreciated by all members of the plan as it would facilitate the changing of minor items by use of regulation rather than through the time lines and use of legislative time.

In closing, I would like to thank Mr. Sale for his work on behalf of Manitoba teachers, and it is my hope that his report will lead to supporting a fair and equitable COLA of all teachers in the future. Thank you for making time to hear these presentations.

Madam Vice-Chairperson: Thank you very much.

Are there questions for the presenter?

Mr. Lamoureux: You've been here virtually from the beginning of all the presenters or—

Ms. Wiebe: No, I haven't heard all the presenters.

Mr. Lamoureux: A great deal of the presenters have been raising the issue of the plebiscite. The government, back in early June, had indicated that the teachers were behind this because of the plebiscite, and I remember we even had one of those discussions inside the Chamber. Having said that, there was originally a lot of credibility given to the plebiscite. Now, we hear that, you know, the decision for a non-binding plebiscite was made on April 22. May 13, the ballots were mailed out. May 26, 12 o'clock noon was the deadline. You're familiar with the numbers. A number of presenters have called into question the validity of the whole plebiscite, the way in which it was conducted. It was expedited. Why was it expedited? Why did it have to happen? I'm told that the government indicated it had to bring in the legislation. It had no choice, which wasn't necessarily accurate information being provided. There's this cloud of suspicion.

What I'm not hearing from the presenters that are in favour of Bill 45 is an opinion on the plebiscite itself. I've heard people say: By the time I got the ballot, it was too late to cast my vote. I received an empty envelope. Given the numbers, do you give any credibility to the plebiscite that was conducted? Should we as legislators be giving it credibility?

Ms. Wiebe: First of all, I just want to address the fact that I didn't address the plebiscite. I felt that our call here was to talk about the Sale report and the recommendations, so that's what I prepared to present.

I think it is completely erroneous to think that there were retired teachers only that did not receive ballots. There were active teachers that did not receive their ballots as well. I think the time line was very tight. Whether it contributed to a 52 percent to a 48 percent vote, I can't say that. I think it was tight. I would have preferred there to be more time so that there could have been correction for those people that didn't get their ballots or those people that were out of town. I'm not quite sure why there was such a hurry for it, but there was for some reason. I would like to have seen more time with that.

The issue about whether that affected the vote, I can't say that because the reality is that it wasn't just retired teachers that didn't receive. It was active teachers that didn't receive, whole schools that didn't receive from my understanding. I don't think that there was any move to secrecy or have a cloud over the plebiscite. My feeling is that that was a way the

government was trying to deal with the issue of fairness, and rather than to say the Teachers' Society wants this or RTAM wants that, this was an opportunity for them to say, okay, let's just shove aside what everybody is saying, put it out there for all teachers, and find out what they think.

I believe that was done, in fairness, to avoid a cloud of suspicion, if you like. However, it was a little bit fast. We could have used another week or even two weeks to make sure that everybody got it and that everybody was able to respond to it.

* (12:20)

Madam Vice-Chairperson: Seeing no other questions, we thank you very much for your presentation, Ms. Wiebe.

The committee calls Shelley Herbert. Once again, Shelley Herbert? Seeing that Ms. Herbert is not here, her name will be dropped to the bottom of the list.

The committee calls Thelma Flom. Once again, Thelma Flom? Seeing that Ms. Flom is not here, her name will be dropped to the bottom of the list.

The committee calls Warren Ogren. Thank you very much. If you wanted to raise the mike up just a little bit, that would probably be helpful. That's great. Thank you, Mr. Ogren. You can proceed.

Mr. Warren Ogren (Private Citizen): Before I start talking about my presentation, there are a couple of things I should probably say first. You'll notice that your presentation is all done in capital letters. If I had sent an e-mail out to anybody, I would have been accused of shouting. I'm not shouting. I just have a problem with typing. I'm a hunt-and-peck type person. It's easier to type in caps and it's also easier for me to read.

Second thing is that my name is Warren Ogren. I am not a retired teacher. I'm a spouse of a retired teacher. We both retired about seven years ago and both for medical reasons.

Having said that, members of the legislative committee and others concerned with Bill 45, I'm appalled, frustrated, disappointed and angry that our provincial government does not live up to its contracts. It would appear that I'm also very naïve for thinking that when a government enters into a contract that it would actually abide by it. Teachers negotiated a contract that would see them receive a maximum 100 percent annual COLA in their retirement. The up-front funding of teachers'

pensions and COLA has come directly from the contributions of my wife and her colleagues, but the unfunded liability is owed solely by the government. But you already know that.

What you don't know is that our future financial planning, prior to retirement, relied upon my wife's pension and COLA as a very important ingredient to our retirement, and why not? We thought it was a signed and sealed agreement. We thought we were being prudent in our planning, but the government makes us look like we were short-sighted. We expected to have a reasonable quality of life during retirement, but we find our quality of life is deteriorating; our buying power is down and continues to shrink. Not only hasn't my wife received a reasonable COLA since she retired, but under the existing legislation for retired teachers, a surviving spouse only receives two-thirds of whatever COLA the retired teacher would have received. So I fear that should my wife predecease me, instead of receiving two-thirds of her COLA, this government would have me receive only two-thirds of a maximum two-thirds COLA, which would likely translate to a zero increase if Bill 45 is passed.

I have lost my faith in government for it would appear that they do not meet their commitments. As my family's buying power and that of 11,000 other retirees and their families goes down, our provincial economy will suffer, but it appears that the government just does not care about retired teachers nor the economy. If it did, the government would honour its agreement with the retired teachers of Manitoba by legislating a fair and long-term solution to the underfunded COLA.

Thank you for letting me speak.

Madam Vice-Chairperson: Thank you.

Are there questions for the presenter? Seeing no questions, we thank you very much for your presentation, Mr. Ogren.

The committee calls Patricia Grafenauer. Hi, do you have a written submission?

Ms. Patricia Grafenauer (Private Citizen): I have an oral presentation.

Madam Vice-Chairperson: Please proceed.

Ms. Grafenauer: Thank you. I would like to thank the minister and the committee for this opportunity to speak in regard to Bill 45.

My name is Pat Grafenauer, and I am a more recent retiree, one year. I began teaching in 1969 in Thompson, Manitoba, and I moved to the River East Transcona School Division School in 1973. For a number of years I worked as a classroom teacher, and then I moved into the role of the teacher librarian. I then became the director of library programs and services for the River East Transcona School Division.

I would like the committee to know that the preparation of this brief has been one of the hardest tasks that I've had to perform. When I arrived at the hearings on Monday, my intention was to just listen. I wanted to hear what was being said on both sides of the issue to see if I could sort out some the points that were causing me confusion before I attempted to put my thoughts on paper.

I do not pretend to be an expert in Bill 45, and I am not conversant with all the background issues, ins and outs in regard to this, although I've been getting a fairly good picture as the hours have gone by. It was, and still is, my intention to present my observations and interpretations of this contentious issue and how it is affecting me, personally.

What has struck me first and foremost is the whole roller coaster of emotions that I have gone through over the past number of nights as I have sat and listened to my fellow colleagues: confusion, surprise, anger, disbelief, frustration, trepidation, pride, thankfulness, discouragement, betrayal, and after last night's little session at the end perhaps hopelessness should be added to this. But the most overwhelming emotion that I felt, and still do, is sadness.

I was a proud member of MTS for many years. I know that my colleagues at MTS are working hard at doing what they believe is the correct thing. I thank them for all their hard work. I also see, however, the good work that our RTAM is doing on our behalf, and I am grateful and thankful to be part of their organization. I wish to also publicly thank them for all their efforts. I also know that there are some people in government that are presently working to do what they believe is the correct thing, and I thank them as well.

I am just overcome with such sadness at what is happening. Every night I see my elderly colleagues, some with walkers and canes, making presentations. I hear the fear in their voices and their hearts as to what the future holds for them if this bill proceeds in its present form. How can anyone not see this, not

hear this and not be moved to action? I am not sure if all of you have truly looked into these people's faces, their eyes and therefore, their hearts, as they have been making their presentations. Can you hear them? Will you remember their faces as you make decisions that are life-altering for them? I need to include myself in this.

I think Mr. Schuler and the others, such as Mr. Hooper, said it most clearly in regard to the polarization that is incurring in regard to Bill 45. This certainly is disturbing to me as I see present and former colleagues on opposite sides of the fence. It saddens me to hear the younger, active teachers make such statements as, I am not willing to pay more for others' past mistakes. I certainly do not mean to be critical, but it must be remembered that today's teachers are reaping the benefits as a result of the hard work of the previous generation. These people are our colleagues. Do not forget them. Do not forget their hard work and devotion to a whole generation of Manitoba children and do not allow these people to be led to financial disaster. There seem to be enough blame and finger pointing to go around for everyone.

I mentioned earlier that I do not propose to be an expert in the bill and all its ramifications, but what is quite apparent, that the bottom line for all parties is what they want is a fiscally responsible plan in place with long-term solutions. Healthy, sustainable, balanced, fair, equitable are many of the words that I have heard over and over and over again.

*(12:30)

Everyone wants the same thing. We all know that our pension plan, or our tree, is withering. We can all agree on that. We have three branches that make up this tree: the government, MTS and RTAM. Some believe that in order to save this tree, one branch must be sacrificed for the benefit of all. That's including the things like the 10-year moratorium, the up to two-thirds COLA, the unfunded liability, et cetera, et cetera. We all know that. Some questions I have in regard to this thought are, and as Anne Monk so nicely said: Is this the moral compass that we are going by? Is this the principle of what is fair and right for all? Why have other provinces managed to save their tree and to do so in good conscience?

I would like to thank Mr. Tom Ulrich for his brief and his perspective on the history of the pension plan. It seems to me throughout this whole issue the major problem has been the process. Not enough due diligence was paid to ensure that all

parties involved were given full and equal representation. I also believe that many of the people who held the true expertise and wisdom should have been at that table for the necessary debate and negotiations. My questions are: Why did this not occur in the first place? Why were they not invited and why still are they being denied the opportunity to contribute? Because of this fact I truly believe that Bill 45 is fatally flawed. Therefore it is imperative that in fairness and in justice for all we need to stop. We need to go back and to ensure that all avenues have been explored and everyone's voice has been heard.

In conclusion, I would like to end this with something I just happened to read after one of the sessions at two in the morning the first night. It comes from a novel called *My Sister's Keeper* by Jodi Picoult: We have a puzzle to solve. Best decisions are made because they are looking after the best interests of all, but if they are blinded, then the system breaks down and underneath all of this are casualties.

Look behind you. See those casualties. If Bill 45 is implemented in its current form without more debate and input with equal representation from all, then that is exactly what will happen—casualties. Are we not our brother's keeper? Where is the government in all of this? I do not have the answers, nor should I. I, as a contributing member, rely on the backers or the sponsors of this pension plan to ensure my contributions for the future. That obviously has not happened.

Mr. Chairperson in the Chair

In fairness and justice for all members, active and retired, we need to regroup, rethink, revise and, above all, reconsider Bill 45. If we truly wish and believe that we are making the best decisions then we must ask ourselves, are we truly considering the best interests of all, or are we blinded. Government, I'm sorry to say, but that is your role. Go back, do your due diligence in this matter. Fix the process. Make it transparent for all, up your learning curve to make the best decisions for all. For the bottom line in all of this is that we are all depending on you.

Before I finish I would just like to—

Mr. Chairperson: One minute.

Ms. Grafenauer: I would like to thank the people that are sitting on the left-hand side of this table, and I thank you for all the comments that you make in the question time and I appreciate it. For me, please,

I am asking that in question period I would like to hear from the right-hand side of the table from the people that I voted for for all my life and my parents voted for. I need to have my contributions for my 30-some-odd years of dedication to the profession and to the children of this province at least validated by having a question given to me. Thank you.

Mr. Chairperson: Thank you for your presentation.

Questions? Seeing none, the committee thanks—oh, Mr. Lamoureux.

Mr. Lamoureux: Mr. Chairperson, I just want to indicate that we were hopeful that a government member would've responded to the plea of the presenter. Having said that, I do appreciate the passion that you have put forward and to thank you and to make that generally applicable to all the presenters who have had an impact, I know, whether it's on Mr. Schuler, on myself personally.

I can tell you whatever happens with Bill 45—hopefully it gets amended. Even if it doesn't be amended, this will be an issue that will be hotly debated inside the Chamber for the next number of years because of the passion of the presenters such as you in your personal appeal. Thank you for coming.

Mr. Chairperson: Thank you once again.

The committee now calls No. 25, Jo-Anne Irving. Is Jo-Anne Irving with us? Very good. You have an oral presentation for us, I take it.

Ms. Jo-Anne Irving (Private Citizen): I do, but I don't want to forget anything I want to say.

Mr. Chairperson: That's fine. Begin when you're ready.

Ms. Irving: I want my money back. I want \$50,000 back that I contributed to the Pension Adjustment Account during my 32 years of teaching. I want it back because it's mine. I paid for it, and I can invest it for returns much greater than the less than 1 percent which is what is being paid out lately. Even in this latest market correction, I can get greater returns than the two-thirds of the cost of living.

I also want back the thousands of dollars I contributed in fees to the Manitoba Teachers' Society over my 32 years of active service because the current executive has not been bargaining in good faith for retired teachers. Would the society in bargaining for teaching contracts suggest that teachers sign a 10-year binding contract that may or may not pay them a raise if the school divisions

could afford it? I think not, and yet that is what they are suggesting we retired teachers settle for.

If I knew 32 years ago that I would be here fighting for a fair pension, I might have thought twice about entering the profession. I am outraged with the current government's position and their behind-the-scenes collusion with MTS. This is the government that I used to vote for. I even campaigned for and helped to elect one of the new MLAs. I have told the current MLA for my riding not to come calling for party contributions any more until I receive my fair and full COLA. The pension underfunding problem has been a long time in coming. It is way past time to do something about it. The Sale report doesn't correct the problem. You need to fix it now. I did my job in good faith for 32 years. Now it is past time for you to do yours. Do your job. Thank you.

Mr. Chairperson: Thank you for your presentation.

Any questions?

Mr. Schuler: Well, thank you very much for coming to committee and waiting so patiently. I appreciate the—[interjection] I don't think you were recognized so I don't think that made it on the record. We appreciate everybody's presentation whether you waited a short time or a long time and your comments. Again, it does help us with our deliberations and again, appreciate it.

Mr. Chairperson: Thank you, once again.

The committee now calls No. 26, Margaret Aileen Teperto. Is Margaret Aileen Teperto here? Not seeing anyone emerge, her name will be dropped to the bottom of the list.

Number 27, Emily Williamson. Is Emily Williamson here? Her name will be dropped to the bottom of the list.

Number 28, Ian Mac Intyre. Afternoon to you, sir. You have copies of your presentation? Okay, great. We'll get those distributed right away. You may begin your presentation when you're ready, Mr. Mac Intyre.

* (12:40)

Mr. Ian Mac Intyre (Private Citizen): Thank you very much, Chair.

Before I begin my presentation, I wish to correct a misrepresentation provided last night by a speaker regarding my local teachers' association president, friend, and colleague, Dan Turner. At no time did

Mr. Turner in his presentation talk about how teachers in the River East Transcona Teachers' Association voted. He said that, when speaking about the Sale report to teachers, he never met a RETTA member who was opposed to the report. At no time in his presentation did he speak or attempt to speak for retired teachers.

Also, Mr. Turner's remarks can be verified by checking *Hansard*. The ridicule heaped on Mr. Turner last night was inappropriate.

Well, I'm glad to be here. It has been a long time. My name is Ian Mac Intyre and I appreciate the opportunity to share with you my opinions about Bill 45, The Teachers' Pensions Amendment Act. I'm a teacher with the River East Transcona School Division and have been an active member of the Manitoba Teachers' Society and various local associations for the past 25 years. My presentation reflects my personal opinions, and not those of the Manitoba Teachers' Society, or the Retired Teachers' Association of Manitoba.

I appreciate the work of Mr. Sale, whose report I have read, and the basis of which is this proposed legislation. It was up to government and the pension task force to grapple with the details of the Sale report that would form the basis of the legislation. It is here where I propose some amendments.

While I thank the government for introducing Bill 45, The Teachers' Pensions Amendment Act, I believe it did not go far enough in preparing its legislation: (1) If the government had the will, it would find the funds for the Pension Adjustment Account to grant full COLA, and I encourage the government to do so; (2) I want the government to amend the legislation to set limits on appointments and reappointments, that is, to set the number of times an individual can be appointed to the TRAF board, in addition to the Lieutenant-Governor-in-Council fixing term lengths; (3) I want the government to amend the legislation to allow an immediate increase in the amount of teacher pension contributions—Manitoba teachers have one of the lowest pension contribution rates in the country, and I know many teachers who are willing to contribute more—and (4) I want the government to amend its legislation to define the role and membership of the pension task force and to include an independent professional adviser.

I understand some of the problems facing the Teachers' Retirement Allowances Fund and the Pension Adjustment Account, and that immediate

action is required to make the COLA adequate, but, and I want to be very clear, in fixing COLA, I do not want the TRAF board or the government tampering with my potential benefit. Fix the Pension Adjustment Account with increased contributions, as in a one-payment or over time, but not with transfers from the basic benefit fund. That action would jeopardize more than my COLA.

I support the proposed legislation with its amendments—with any amendments, and believe that it begins to address the needs of retired teachers, and ensures a better benefit for those yet to retire. Teachers, both active and retired, voted to support these changes, but I think you can see from the plebiscite results that teachers expect and still want more improvements. I encourage you to vote in favour of Bill 45 when the House sits in the fall with the knowledge that your work is not complete. Thank you.

Mr. Chairperson: Thank you, Mr. Mac Intyre.

Questions.

Mr. Schuler: Thank you very much, Mr. Mac Intyre, for coming to committee and waiting so patiently for your opportunity to put your thoughts on the record.

One of the suggestions that have come forward is a hoist of six months to allow some of that work to take place and the amendments to take place that might better the bill. Would that be something that you think could be a positive move?

Mr. Mac Intyre: First, that's the warmest reception I've ever received from Tories in this committee room or in the Legislature, so I'm glad that eight years of opposition has brought out the compassion in you toward teachers and toward education, and I hope that, the next eight years of opposition, you'll have something beneficial to put on the table in terms of supporting teachers and education in Manitoba.

In terms of a hoist, I don't see a hoist as being a reasonable request. The COLA is in jeopardy now and it needs action and so the government needs to be able to act and get it done. I proposed some amendments. I'd like to see some of those amendments included, and I think some of those amendments would benefit the pension and the PAA, but I don't see a hoist as being—there's no reason for it. Let's just get this started. We know the work is not complete, and then therefore, you can start with more pension task force meetings after that.

Mr. Lamoureux: There have been some presenters that have indicated there is a 10-year moratorium and that's being perceived in the legislation. That would maybe preclude or prevent some of those discussions from being able to take place. Would you support the need to at least make an amendment that would lift that perceived 10-year moratorium?

Mr. Mac Intyre: I think we differ on, I guess, what that means. I don't see it as being a 10-year moratorium on any kind of discussion. I see it as putting out issues dealing with interests and how things are going to be paid out in the pension account and how things are going to be adjusted in the regular account. That doesn't mean that there can't be any discussions. You know, the government has come forward; I think this is the second time they've amended the pension act—[interjection]—fifth time, thank you. This is the fifth time they've amended the pension act. Now, with being able to make those pension act changes without having to come through all of the committee hearings, I think any kind of changes would be quicker.

Mr. Chairperson: Thank you for your time with us this afternoon.

Mr. Mac Intyre: Thank you very much.

Mr. Chairperson: The committee now calls No. 20, Howard Wohl. W-o-h-l. Howard Wohl? Seeing no one, his name's dropped to the bottom of the list.

Number 30, Clyde Bramadat. Clyde Bramadat is dropped to the bottom of the list.

Number 31, Diane Bewell. Diane Bewell is dropped to the bottom of the list.

Number 32, Gaylene Gietzel, Gietzel? Gaylene Gietzel is dropped to the bottom of the list.

The top of page 4. Since No. 33, for the committee's referral, has been withdrawn already.

Number 34, Don Bewel. Don Bewel is dropped to the bottom of the list.

Number 35, Jim Tomes. Is Jim Tomes here? His name's dropped to the bottom of the list.

Number 36, Margaret Milton. Margaret Milton is dropped to the bottom of the list.

Number 37, George Dyker. George Dyker is dropped to the bottom of the list.

Number 38, Gregory Giesbrecht. Thank you, sir. Do you have copies of your presentation?

Mr. Gregory Giesbrecht (Private Citizen): I do.

Mr. Chairperson: Excellent. Thank you for that. Mr. Giesbrecht, you may begin your presentation when you are ready.

Mr. Giesbrecht: Thank you very much for the opportunity to appear at these hearings. You've been thanking us for our patience and understanding and attention. The same thanks from me go out to all of you for spending this time here, maybe compensated a bit, but that's fine. You're still paying attention. I'm really impressed, as other speakers have been, by the patience and dedication that you've seen from the speakers and I feel only a small part of that.

In January 1949, Philip P. Giesbrecht passed away suddenly while in the employ of the Neu Kronstahl School District just north of Plum Coulee. He was survived by a wife, a daughter and a son who was just short of two years old. Phil and three brothers, Henry P., Bernhard P., and Frank P. Giesbrecht as well as their father, Peter, were teachers. My father, Philip, deceased at the age 36, devoted fewer than a dozen years in the pursuit of helping young people be the best they could be. He also spent considerable time and effort in bettering the conditions of teachers by helping to organize teachers' locals which later became associations, transporting fellow teachers to meetings and supporting the Manitoba Teachers' Society.

* (12:50)

It's no wonder that his daughter and son both became teachers and school administrators during their careers: Enid, perhaps sensing a better financial opportunity, moved to Alberta in the early 1970s to pursue her career, while I stayed in Manitoba and spent 39 years teaching in public, private, band-operated, and adult education schools.

During my 32.4 years in the public school system I became involved with local association executives, a department curriculum committee, some MTS provincial committees, and one year representing the society on the minister's Advisory Committee on Education Finance. All the while I contributed to my future pension, trusting that an adequate pension was waiting for me upon retirement. Periodically, concerns were raised prior to and during our annual general meetings by the auditors, but in large part we trusted that the trustees of our pension plan would be able to follow through on the belief that, if not a full COLA, then at the very least an adequate COLA would be forthcoming. But

the trustees, of which a majority are appointed by the government of the day, four appointees to three by MTS, can only operate with the guidelines set by legislation. And only recently is one of the seven appointees been a retired teacher. So it's the government who has the ultimate responsibility of determining COLA increases in the future, with only a little formal influence by a retired teacher up until these hearings.

Well, when I retired in 2004, the pension was adequate. However, sensing that I might anticipate an unreasonable COLA, I spent the next four years teaching in non-public school institutions so that I could put money aside in my personal RRSP to partially offset the dramatic effects of an inadequate COLA provision through TRAF. But not all retired teachers are in a position to do the same. Through illness, fatigue, burnout or disinterest, most teachers do not return to the classroom, and that's just as well, as many would resent the need to continue to teach solely to protect their retirement income.

So let's see what the future has to offer. We can't foresee the future, but we can consider some hypothetical situations. For example, if I'm to live for the next 30 years—my mother has recently celebrated her 92nd birthday and I'm 61, so there's hope—and if the consumer price index increases at a modest 3 percent per year, in 2038, \$2.43 will be needed to buy what \$1 will buy today. Of course, my financial needs will be different in 30 years than what they are today. I won't be needing as many golf balls, swimming goggles, bicycle accessories and hairstyling gel as I might need now, and I'm guessing the need for drugs, hearing aids, glasses, dental care may be needed, maybe not. Transportation to medical facilities and other similar expenses will not lag behind the CPI. So what's the future?

Well, if we look at the average of the last three years of increases of our TRAF pensions of 0.4 percent, 0.64 percent, 0.63 percent, averages out to 0.56 percent, if we take that over the next 30 years we'll get an increase of \$1.18 for each \$1 today. So our pension will buy only 49 percent of what it'll buy today. Is that fair? If the cost-of-living increases at a higher rate and our COLA increases don't keep up, the 2038 dollar will be worth even less than that. Oh, I get it now. If I have only one functioning leg, one arm, one good eye, one year, and only half a brain, I should be satisfied with 49 percent buying power.

I could rehash other statistics and arguments for you, but I wanted to offer one person's perception.

Now, some 59 years ago, upon hearing of my father's passing, Tom McMaster, then general secretary of Manitoba Teachers' Society and the man after whom McMaster House was named, wrote a letter to my mother expressing sympathy for our situation and asking what he and the society might do to assist.

Well, 59 years later, I'm suggesting that the society get on board with retired teachers, set aside petty differences, personality clashes, et cetera—that's an add-on. I'm suggesting the society get together with retired teachers to urge the government of the day to not pass this bill and to make efforts to sit down with all interested parties to resolve the issue of underfunding teachers' pensions. I thank you.

Mr. Chairperson: Thank you, sir.

Questions?

Mr. Schuler: Mr. Giesbrecht, thank you very much for coming to committee and sharing with us your story and, particularly, the very personal side of it in regard to your father. From what I read here, I take it, then, you would be in agreement if the government would agree to a hoist being put on Bill 45 to allow the parties to have one more opportunity to sit down and see what they could come up with insofar as an agreement. Would you agree with a hoist of Bill 45?

Mr. Giesbrecht: I think that sort of idea is in order. In the past 10 or 15 years—and I haven't been close to the negotiations and discussions, but I've been around enough that I think what is needed, I think what has happened, partly what has happened, is the government, I think, has waited for the retired teachers, TRAF and MTS to get together and come with a united front, and that hasn't happened. I think part of the problem is personalities, situations. So if there is a mechanism by which we can bypass some of that and get the groups together and sit down, as many, many presenters have said, looking at it reasonably, recognizing the past but looking to the future, delay this bill or defeat it, and get something that is reasonable for not only retired teachers but for every teacher out there, to achieve some fairness in this issue.

Mr. Chairperson: Thank you for your time with us here today.

The committee now calls Douglas Hallsted. Is Douglas Hallsted in attendance? Seeing no one, their name will be dropped to the bottom of the list.

Number 40, Ruth Livingston. Ruth Livingston is accordingly dropped to the bottom of the list.

Number 41, Germaine Lussier. Is Germaine Lussier here? This name is dropped to the bottom of the list.

Number 42, Ms. Phyllis Hunter. Good afternoon, Ms. Hunter. Thank you for the copies of your presentation. You may begin when you're ready.

Ms. Phyllis Hunter (Private Citizen): Thank you.

Mr. Chairman, honourable ministers and committee members, my name is Phyllis Hunter. I am a member of the Retired Teachers' Association of Manitoba. Almost 35 years ago, I was president of the provincial Manitoba Teachers' Society. This was before the formation of an association for retired teachers. At that time my name was Phyllis Moore.

Perhaps that was a kinder time because it was a time when MTS not only protected the welfare of active teachers, but also had committees to protect the pensions of retired teachers, and it made sense, since every active teacher would become a retired teacher in time. To misquote Gertrude Stein, a teacher is a teacher is a teacher.

I'm reminded of the hours of work which were given by teachers, both before and after retirement. I recall the names Doris Hunt, George Strang, Edith Miller. Edith gave so many years that she was called Miss Pensions and she was made an honourable member of the Manitoba Teachers' Society in 1969 for her work.

* (13:00)

Because there was no organization for retired teachers at that time, The MTS served on government boards, representing teachers, both active and retired. This is a power position which MTS wants to hold. One example is the Teachers' Retirement Allowance Fund board. There is no way that MTS is willing to share their representation on that board with RTAM. But today retired teachers have their own organization and it is growing every year. The Retired Teachers' Association of Manitoba is well organized. It is in its 19th year of operation. It has now outgrown the need to be represented by the Manitoba Teachers' Society on pension boards. We realize that MTS and RTAM are related organizations, but in the matter of pensions our thoughts differ.

Another example of a power wish is that obvious red herring, the recent plebiscite. How could MTS not win such a vote? MTS has 15,000 in almost compulsory membership. RTAM has 7,200 voluntary members. RTAM members are not located in easy-to-reach schools, so a hurried vote would not favour us. But the vote proved to be useless and an expensive exercise. RTAM members viewed this plebiscite as a power takeover of retired teachers for MTS gain.

When I was president of the Manitoba Teachers' Society, I realized that I was only part of the leadership of the total teachers' group. The elected board and the senior staff were also decision makers. Much of my position was public relations.

I knew that it would not improve public relations to cast doubt on the authority of the executive of RTAM to represent the total RTAM membership, but this was done. It was done in the president's report in the Manitoba Teachers' Society newsletter in the winter of '07-08.

It's also unfortunate that the president of the Manitoba Teachers' Society did not accept the invitation to attend the annual general meeting of RTAM, which was held in May of this year. She would have been convinced by the unanimous vote of approval, both for the executive and for the work done regarding the Sale report. Perhaps I'm out of the loop at age 80, and you often are, but I can't understand the reasoning behind the MTS decision to accept an almost two-thirds COLA on a vague promise that things will be better in the great by-and-by.

In 1977, retired teachers received a 100 percent COLA, which I paid into until 1990. I retired that year after 43 years of teaching. After having paid thousands of dollars into the COLA account, I received that year, only a 95 percent COLA, but nine years into retirement it became a 70 percent COLA. Later it dropped to a 20 percent COLA, and heaven help us, it's so low today I don't even like to mention it.

My financial needs did not become less, and living costs continue to escalate. Now we are told, take a two-thirds COLA if you can get it and shut up for 10 years. But I'm of the now generation. If I don't get a decent COLA now, I may not be around in 10 years, but is this Bill 45's intention?

If you wonder why retired teachers are angry regarding the Sale report in Bill 45, it's also because we feel that we have been railroaded into this with very little consultation. It is also because we worked for, fought for and paid into a full COLA.

RTAM is not a wealthy organization. Unlike the Teachers' Society we have no large contingency fund. We do not have a large staff, but we have volunteers and dedicated members who know when they have received unjust treatment. We have members who will stand up. We will use our voices and our votes for our just cause. We want a solution to the COLA dilemma. Let us, by joint committee, study what has happened in other provinces where long-range plans have found solutions.

Many of our members have been president or board or committee members of MTS, and it is now difficult to accept the rift that seems to have developed between our two organizations. Is this also the government's plan—divide and conquer? If it is, it seems to be successful. By working together, a solution agreeable to all parties must be found. Teachers' pensions are underfunded but Bill 45 is only a Band-Aid solution. Major lump-sum funding is needed, and needed now. Please don't make retired teachers wait 10 years for a just COLA. I may not live that long.

Mr. Chairperson: Thank you, Ms. Hunter.

Questions?

Mr. Schuler: Yes, and thank you very much for waiting your opportunity to put your feelings on the record. We certainly appreciate your comments and the years of service that you've put in and the commitment to educating us and providing for a good education system.

Your last few comments—and I'll quote them again: It is difficult to accept the rift which seems to have developed between our two organizations.

I've asked others: Do you think it would be appropriate to maybe hoist the legislation for six months, allow that rift to heal, to work together and see if there isn't some way that this could be resolved in an appropriate manner?

Ms. Hunter: I believe this can be solved in an appropriate manner. May I tell you a story? In 1969, Winnipeg and area teachers were called to a large rally held at the Winnipeg Arena. Teachers were to listen to the educational plans of speakers from three major parties. The speaker, Mr. Bobby Bend, spoke

to our group, but he had no solutions for our education and pension problems. The next speaker, a young man, spoke for the New Democratic Party and Mr. Schreyer said that he had solutions and that he would come up with appropriate answers that would solve many of our questions.

Teachers were thrilled with this support. Many, many of us agreed to work for him. I for one, canvassed a large area, a full block area just down Broadway street here. That block area was filled with old apartment blocks. I must have spoken to hundreds of elderly, single, lonely people in small apartment blocks. I think they simply wanted someone to talk to them, but I do think I convinced them to go out and vote, and you know the history of that situation.

One solution may be that I may have to go out and walk that block again. But it won't be for Mr. Schreyer or the NDP Party if there can't be some solution to this problem.

Mr. Chairperson: Thank you for your time with us this afternoon.

Ms. Hunter: Thank you.

*(13:10)

Mr. Chairperson: The committee now calls No. 43, Paul Ruta. Is Paul Ruta here? Seeing no one, his name is dropped to the bottom of the list.

Number 44, Irene Steen. Irene Steen is accordingly dropped to the bottom of the list.

Number 45, Mary Barzey. Mary Barzey is dropped to the bottom of the list.

Top of page 5, No. 46, Edith Doyle. Very good.

As Ms. Doyle makes her way to the microphone, I'll inform committee members, we have four more written submissions, three of which are from our list. Committee members, No. 36, Margaret Milton, who we called once previously just a little while ago. She has now brought in a written submission and can be marked as such if you choose. Number 135, Jean Tully, has similarly submitted a written document, and No. 181, Kenneth Tully, is the third one who is on our list to provide a written submission and, in addition, we have received a written submission from Judy Olmstead-Coss, who was not on the list previously. Does the committee agree to have these documents appear in *Hansard*? [Agreed] Thank you very much, committee members.

Copies will be distributed to you momentarily, and we will now hear from Ms. Doyle. Thank you for your patience.

Ms. Edith Doyle (Private Citizen): Hopefully, this is the right height and everything, and I think the only effective government is actually a benevolent dictator, but it's kind of hard to find one who is, so we'll proceed to the presentation.

As of many Manitobans, I'm an immigrant. My native language is English, but you've noted we have certain differences in the way we handle it. My teaching experience I'll give you briefly so I hope you'll think I know what I'm talking about. I've taught in high school. I've taught in elementary. I've taught in a teacher training college. I've done summer sessions at U of M and Red River community college, and I think I've experienced about five different education systems, New South Wales, Tanzania, England, Scotland, Manitoba. So three levels, five countries.

In New South Wales you are an employee of the state, but we do have a rather generous long-service-leave plan that doesn't seem to have been heard of here, and I realize we don't compare apples and oranges, but maybe the more knowledge different people have of different systems, the more intelligently they can make decisions about their own, so to take what's best for your locality and leave what isn't of it.

I think education is of vital importance or I wouldn't have stuck in it for so long. Obviously, kids are our future. I'd like to think a fair percentage of them will be lifelong learners in whatever field, and I'd like to think of myself as such. I sometimes wonder, with some of the structures, whether there's an educate yourself out of a job if you are interested in specializing more in certain fields, or it's the old use and dispose when you get old. That's a bit of a contradiction, but sometimes you get cynical as the years go by.

RTAM definitely does not endorse Bill 45. It opposes it. It seems there isn't the clarity that there should be among some of the speakers. I'm not an expert in actuarial matters though I've got a daughter who is, and I haven't bothered asking her about this. I think in Bill 45 we've had rather confusing, far too technical, somewhat flawed to put it mildly, information. I think there was an initial error in the figures that wasn't kind of caught by those who know more than I do about it. So it wasn't really workable from the start.

We never as teachers in Manitoba expected two-third COLA. Now how much is actually written in discussions and how much is in the act, I haven't checked, but I wonder how experts in all parties involved can make such an unfortunate mistake if they're really experts. I feel a little bit we've all been misled, the whole three parties, by those whom we felt had the correct information. A basic error I've always felt is that, as teachers in the public school system in Manitoba, we paid as we went towards the COLA we believed we would get and a fair pension, but until relatively recently the government didn't put in a thing. Now look at those millions of dollars that potentially could have been invested and earning money, and we wouldn't be in the mess we're in now if they'd been put in initially. I commend the current government for finally getting round to putting some money in and continuing to do it that way, but I think that was a very basic, initial mistake.

Sorry, I'm just trying to see what my notes mean anymore. Oh, yes. I think the current funding, particularly regarding the Pension Adjustment Account, is rather complicated, and I, as many others do, feel it's a bit of a mistake to enshrine this in legislation. So there has to be sort of an act of the provincial parliament in order to change anything. Currently, there's a lack of flexibility. There's not much knowledgeable, clear, forward thinking and planning by those who do know. I think it's rather an unjust reward for a service, doing something you enjoyed more than you didn't enjoy over the years, to kind of find the mess we're in now.

Something I've got to ask is the process here. Do I understand that you may ask me questions, but if I ask anybody else, no one will answer? Is that correct? Okay, it is since I didn't get an answer. I think a lot of us feel that the all-or-nothing aspect of the Sale report is not a good thing because you don't want to toss out the baby with the bath water, and this makes you think a lot in clichés. There's a lot of good in lots of things, but if people get all hung up in personalities, they sometimes forget the overall good. We'll, hopefully, be heading in the same direction eventually. I hope it's not towards the light at the end of the tunnel that turns out to be a train. I really don't think it will be, but sometimes you wonder.

In effect for 10 years, I think, is a bit too restrictive. Do we really fall further behind as retired teachers until we, hopefully for some, die off? I don't know. Another question I've got, and I'll find out the answer later, I'm quite curious if those who served

two terms in either our provincial or our federal government, are their pensions indexed to the cost of living and what are the restrictions there? I've never been interested in becoming an elected representative anyway, even fortunate or unfortunate enough to be, but I'm curious about that too. I think it's sort of relevant.

If TRAF did meet or exceed the benchmarks according to its last annual report, either the benchmarks were too low or something else was a little out of whack. I think the retired teachers are the ones whom this problem affects now, but certainly anybody who was teaching in the public system will obviously be affected in the future. So why can't we get together like adults instead of squabbling kids, have equal representation, and the equal representation be voting delegates as well, two, two, two, and one government appointee, MTS, RTAM, TRAF board, and the government appointee in case there's a vote that needs to be broken? That's the wrong term, but you know, if everybody votes equally, you've got to have somebody to break the tie.

Floor Comment: Tie vote.

Ms. Doyle: Yes, a tie vote. I don't mean screw up the whole thing.

I think the current situation is a little unfair and unjust and a bit demeaning to most of us who are affected. After working a lifetime or giving a lifetime of service to teaching, the young people who are our future sort of grudgingly allowed only to observe, and we don't have any voting rights in the committee. It's a personal remark, but I think there might be a few others who would agree with it. I don't have any easy solutions, and I think I'm getting pretty close to out of time. Incidentally, am I speaking clearly enough to be heard by all who want to hear? Those who don't, it won't matter. And what about people behind me? *[interjection]* I found in earlier presentations, I could not clearly hear from the audience some of the things that were said.

Okay, I don't think passing the buck and blaming will help at all. Rather facetiously, when I came to this province, gambling was a no-no, and you could be in trouble if you bought an Irish sweepstake ticket. That might be an interesting solution, another casino and another lottery or two. That is facetious, but still.

I think we need courage, faith, trust, open minds to work together towards a truly equitable solution

for all, and if those, again, actuaries or whoever, that really know what's going on tell those of us who put our trust in them, maybe we should all do something about it. No, I think I'll leave the last remark. That's not nice.

Though on the other hand, who's going to say, you know, the poor old dog that is the good and faithful servant—and the cat by the way thinks for itself and doesn't do this—but sort of says, well, I'll roll over and do you want to kick me again? But that is facetious.

Okay, any questions?

* (13:20)

Mr. Chairperson: Thank you for your presentation.

Questions from the committee members?

Mr. Schuler: Yes, and thank you very much for your presentation.

Yes, we could understand and hear you and, interestingly enough, many of your colleagues have come forward and have beat themselves up about not really caring about the pension until the time came to retire and all of a sudden, you know, they start to worry about their pension. So, you asked us a question and you didn't get an answer. Is our pension indexed? I admit it. I'm too young to really care that much, so I turned to my two esteemed colleagues next to me and they know about as much about our pension as I do. Isn't that telling about what takes place, right? Until the moment when you say, okay, that's it, I'm going to retire, and you step into retirement and then—and then you take an interest and you go, oh my goodness, why wasn't I involved a lot longer? So, to answer your question, I don't even know. But thank you very much for coming. We appreciate—*[interjection]* You get to respond as soon as he mentions your name. I appreciate you coming forward and giving us your learned advice and opinion. Thank you so much.

Ms. Doyle: Okay. I'll get turned on and off; that's one effective way of doing it. I hope you have been amused. I hope some of you have taken it to heart from all three sides of the Irish gathering.

Also, one question I've got and I haven't got an answer yet. I noticed when I came in that the flags were at half-mast and I'm still curious as to why. Who is it we're honouring? It's not another death in Afghanistan or Iraq I hope—*[interjection]*—but it is, oh, dear. We just had one the other day. Okay, thank you.

Mr. Chairperson: Thank you once again for your presentation.

Mr. Schuler: I understand the flags are kept at half-mast until the funeral of the soldier.

Mr. Chairperson: The committee now calls No. 47, Gordon Newton. Gordon Newton is dropped to the bottom of the list.

Number 48, Richard Robertson. Richard Robertson is dropped to the bottom of the list.

Number 49, Philip Zubrycki—Zubryeki, perhaps? And he's here. Thank you for the written copies, sir. You may begin when you are ready.

Mr. Philip Zubrycki (Private Citizen): Yeah, well, that's just a fact sheet in case you have some—but I'd like to point out, oh—Mr. Chairman, honourable ladies and gentlemen. My name is Phil Zubrycki. I am a retired teacher and a member of RTAM. But the opinion that I'm about to give is my own and I speak only for myself. By the way, my name is spelled wrong there. It should be spelled Z-u-b-r-y-c-k-i.

The French novelist Anatole France said, a person is never happy except at the price of some ignorance. I guess that's why we were so happy during our teaching careers. We weren't stupid; we were just ignorant. Also, he said, the first virtue of all really great men is that they are sincere. They eradicate hypocrisy from their hearts. I challenge you all to be great men and women.

I have a solution for this whole problem: pay up the unfunded liability. This has been a real eye-opener for me. The king has no clothes. I will state the obvious again. An unfit, unfunded liability is an unfunded debt. Pay up the PAA. Pay your financial obligation. This is not a complicated concept. Pay this year's bills with next year's money or simply get next year's money to pay this year's bills. That's what you have been doing. I think that should be illegal.

I'm not going to quote you a bunch of numbers except to point out that the retired teachers is increasing exponentially, becoming a bigger and bigger block that you will have to contend with in the future. But enough with numbers. I don't want to use a lot of numbers because you ask what is two plus two. And the mathematician, like Descartes said, he took over 200 pages to prove that the number one existed. The English teacher will tell you to make sure of the spelling, that it should be t-w-o and not t-o or t-o-o. The engineer will ask you how

many decimal places do you want. The Einstein theory of relativity that the observation is relative to the position of the observer is borne out by the accountant, who will say, that depends, are you paying or collecting? The statistician: are those random numbers and how big is the sample? And, of course, the actuary: what do you want it to be?

I am a single person, so, like the retired women, I'm living on one person's pension. I should say pensions because, in my case, there are several pensions of my own because I worked at more than teaching in my 36 years of gainful employment. I am now also collecting CPP and OAS, and I must be doing okay because I do not qualify for the GST rebate or the OAS supplement. If you believe that will continue, I know someone with property in Florida for sale cheap you can buy.

Food, shelter, clothing are increasing. There is going to be a Hydro increase of 5 percent. We are on a downward spiral. Some people would call it a death spiral. When I was involved in other things that we had members in our group who, when we'd try and raise the dues, they would say, well, I'm on a fixed income. I didn't really understand what they meant. Now I know. I know what a fixed income is. I retired in February 2001. The TRAF, CPI compounded, a 2001 dollar that I was getting then, \$1, I'm now getting \$1.08. However, the Manitoba CPI compounded the same, the dollar is \$1.19. So I'm trying to buy \$1.19 worth of stuff with \$1.08.

Inflation: CTV News, Wednesday, July 23, now I just heard this, and I think I copied it down right, but I'm not sure. You can check. The inflation was a 3.2 increase over last month; 2.2 the previous month it was. And this is the thing that really got me: Inflation is a 27 percent increase from over this time last year, 27 percent.

I paid into a pension plan for my future, but also for those teachers who were already retired. The fund is non-capitalized, a non-funded liability or an unfunded liability, again, I will state the obvious: an unfunded liability is an unfunded debt. Pay up the PAA. An unfunded liability is simply pay this year's bills with next year's money. Or get next year's money to pay this year's bills. What an interesting concept, a real interesting concept.

When I get my Autopac, Centra Gas, income tax bill, property tax, school tax, my Hydro bill, which will be up 5 percent, I will just say that I have a budgeted, an unfunded liability, and they will understand and leave me alone. Hydro asked for 2.5

and got 5 percent. Perhaps the government is suggesting 66 percent COLA because they wish to give us 133 percent or double. I appreciate that slight of hand.

We have not asked for less than 100 percent, it was offered by the government. I believed I would get 100 percent COLA when I was working, and as that fact sheet points out, for most of the years when I was working as a teacher, the COLA was 100 percent. Oh, it was 99 in '96, but it looked like the problem had been solved.

*(13:30)

The fund is non-capitalized, a non-funded liability, or an unfunded liability; they all mean the same thing. It is, in my opinion, a fraud, and/or a false promise, and/or misrepresentation, and/or a lack of due diligence, and/or a breach of contract, and/or a breach of fiduciary responsibility, has taken place.

I will be personally urging the RTAM to seek legal counsel and a forensic audit, and also to proceed to the Supreme Court, by writ of *mandamus*, if necessary. I am sure somewhere in Canada there is a lawyer or a law professor with a gaggle of graduate students who would love to take this on. I do not believe that this hearing, the plebiscite, and all other associated processes constitute natural justice. What has gone on here is biased. There are conflicts of interest and many other grounds for a writ of *mandamus*.

What might justice, or rather fairness, look like? Well, you can base the increases on percent the same as the Manitoba MLAs' increase in compensation, or percent the same as the average industrial wage increase in Manitoba, or 100 percent of full CPI. I believe RTAM should be included in the TRAF act and consulted.

Gentlemen, pay your bills, pay up the Pension Adjustment Account in full and with compound interest. The problem will be solved.

Thank you for your attention, and please act with fairness and compassion in this matter. Thank you for your time, gentlemen.

I hope I didn't insult anyone, but those are my honest opinions, and I have the strength of my convictions.

Mr. Chairperson: Thank you for your presentation.

Any questions?

Mr. Schuler: Thank you very much, Mr. Zubrycki. Nice to see you again. It has been a long time.

We appreciate your patience in waiting for your opportunity to speak, and also appreciate your comments.

I don't have to ask you what you think we should be doing, going on a go-forward basis. You answered that already, and we appreciate that as well.

Your presentation and your patience, for all of that, we thank you.

Mr. Zubrycki: Thank you for your comments.

Mr. Chairperson: Seeing no further questions, we thank you for your participation.

The committee now calls No. 50, Chris Thain. Is Chris Thain here? Seeing no one, their name is dropped to the bottom of the list.

Number 51, Delores Minkus-Hofley. Delores Minkus-Hofley is accordingly dropped to the bottom of the list.

Number 52, Kay Koolage. Kay Koolage is dropped to the bottom of the list.

Number 53, Maurice Saint-Cyr. Maurice Saint-Cyr is also dropped to the bottom of the list.

Number 54, Roslyn Roberts. For the committees' information, Roslyn Roberts has provided us with copies of a written submission. Is it the will of the committee to adopt this for the record of *Hansard*? [Agreed] Thank you.

Mr. Schuler: Mr. Chairman, if you would be so kind to announce that individuals who can't stay, for whatever reason, may present their written presentations, if they can't stay for the rest of the afternoon. People, then, don't have to sit and wait.

Mr. Chairperson: Very well stated. For anyone who didn't hear, perhaps, or to say it again, anyone who wants to provide written comment rather than make a verbal presentation to the committee can, of course, turn in their document to the staff at the back of the room, and we will, as you have just seen, do our best to incorporate that into our official deliberations.

Thank you for that, Mr. Schuler.

So Roslyn Roberts is now a written presentation.

Calling No. 55, David Bertnick. Good afternoon, sir. Do you have copies of your presentation?

Mr. David Bertnick (Private Citizen): No, I don't.

Mr. Chairperson: All right, you may—

Mr. Bertnick: I have two presentations. One is full of the same data that you've read all about and you don't need any more of that. I intend to keep it short.

Mr. Chairperson: You may proceed as you see fit.

Mr. Bertnick: Thank you very much. Members of both sides of the parties, I come here today to, first of all, let you know that I'm an educator who's retired after 40 years of experience, a special education teacher, a resource teacher, a special ed co-ordinator, clinical administrator, principal of many schools, elementary and secondary, and acted as a substitute and a part-time teacher.

I served as the president of the St. James-Assiniboia Teachers' Association, president of St. James Manitoba Association of Principals and the local association, and I was chairman of negotiations during the time when we had the anti-inflation board try to stick it to teachers.

I don't know if anyone recalls those days, but I sure do. Coming from St. James, St. James was a hard division to teach in, and it was a hard division to negotiate with. When the boss said this is what you get, you had to make up your mind: no, you're not or, yes, we are. A lot of times, teachers had to say, no, we're not going to take that because it's not right.

What's going on right now is not right; it's not right. I want you to know that elections are not won; they're lost. I learned that from the hustings of many, many years.

What I have in this bag, ladies and gentlemen, is a brand new pair of boots, and I've been to every door in St. James-Assiniboia, Charleswood and the Interlake. I own property in the Interlake and I know where Mr. Bjornson lives. I've been to every door in that constituency and I plan to do this. Idle hands are the devil's workshop. Look behind you; all these people have got is lots of time.

What we're grappling with today is their pension; it's their livelihood. I've seen people crying, people coming to the forum with nothing, talking about going to see their brother 100 miles away in a 1999 Lumina, which they may not be able to afford gas for. Where is your compassion?

The gentleman who just spoke before me is right. It's your job; it's your problem. The problem is

the non-funded or unfunded liability IOU that needs to be paid up. The MTS crawled in bed with somebody to negotiate a deal before they came to us. What kind of negotiations is that? That doesn't make any sense.

You owe me the money and I want it back, or pay up. I gave it to you in good conscience, thinking that this is the way my pension is going to happen. This is what's going to happen when I retire, and it's not there. Well, whose fault is that? I paid every time the government said, pay up.

I gave everything. I worked my ass off in order to pay up, and I encouraged my teachers to show respect. In every school I was at, respect, respect, respect. Take good care of those kids because they're our future. Yes, they were and they are.

I'm very disappointed with our government when Mr. Doer is laughing at us on the radio. Is that respect for teachers who've given everything they've got for 40 years plus? That is not respect. When people across the table won't even ask a question, or answer a question, or even smile at you, that's not respect; that's disgusting.

I've got my boots ready to go and I'm encouraging these people back there to find out where your MLAs live, where their doors are and knock on them. If a government has to be defeated, let's get at it. Let's do it soon.

I'm very happy with the left side today for some reason. Mr. Filmon wouldn't even talk to the teachers back in the days when we were talking about pensions; he wouldn't even call a meeting. I don't know why, because I supported him every time the election came up.

I've been a Conservative since Christ was a corporal. I want you to know that's probably where I'm going again, because the NDP aren't listening. I thought, God, maybe I was wrong all these years; let's go along nicely and see what's going on. I applaud the fact that Bill 45 is being considered, but it's wrong.

Who in their right mind would settle for zero to two-thirds percent? You know what's going to happen—zero's the number. You get more of the same. What educated person would want that kind of thing happening? Nobody.

People behind me need the cash now. People who have just retired are doing okay, but it's going to get them. Two-thirds of a pension is no good,

because it's slowing the death. We're all going to die slower; that's all.

* (13:40)

I want to tell you a story about a horse, a horse standing out in a pasture on a nice sunny day like today. Along comes a sparrow and sits down looking down at the tail. All of a sudden, a large clap of flatulence comes out. The sparrow looks down and says, you're going to have to do better than that, fella, because you can't live on promises. That's what I think of the Sale report. You can't live on promises. Pay up. You caused the problem. Pay up.

What do I recommend? If you have to hoist the thing, great. If you have to bring in a mediator, great. I applaud the fact that you're looking at Bill 45. It's not good enough to look at it; something's got to happen. These people are hurting. Where is your decency to take care of the lowest, weakest members of society? Where is your decency? Jimmy Carter said: The strength of democracy is dependent upon looking after the weakest members of our society. Retired people behind me never were weak, never intended to be weak. It's just because the great leveller has caught up with us. We're all old. We're all old, and I'm encouraging RTAM to build steam. A few days ago I was sitting there wondering, well, RTAM, what's all that about? I got the survey and I looked at it and I thought, this is pretty interesting. Then I found out my pension's included because I retired, and then I thought something's got to be done right now. Right now, something's got to be done.

So I'm saying to you ladies and gentlemen I'm encouraging these retired teachers to keep the ball rolling; like in 1970 when I was put up on the stage at the Playhouse Theatre in front of 1,500 people, let's do it again. Would 11,000 people fit in here? Let's try. I'd love a good dustup. In fact, I like reading about Che Guevara and his conquests. That's what I do in my spare time. I love elections because I know that's where you can make a difference. I know where every building is in Gimli and I own property in the Interlake. Ask the past two outgoing mayors of Dunnottar who Dave Bertnick is. They'll tell you. They're not there anymore. When I bite something and I'm on to it, it's going to stick. I like going to the lake and sitting there and doing whatever I do best.

But you know what? This is my livelihood. These are the people behind you. We've got to start doing something. I don't usually get up in front of people like this and get so passionate about something. But it's our life, for God's sake. Help us

out. Help us out. Some people are dying right in front of us, in 10 years won't be here. Is that what the government defends? I hope not and I'm going to work hard to make sure that I don't re-elect a government that does not support teachers who are retired. Personally, I'll do everything 24 hours a day.

By the way these are on sale at Mark's Work Warehouse. They're damned good boots. They go into Gimli mud real well.

Mr. Chairperson: Thank you for your presentation.

Are there any questions of the presenter?

Mr. Schuler: Well, Mr. Bertnick, I think you basically answered all the questions before I could ask them, so I just want to say thank you for the patience. You have been sitting for a long time and suffering in the heat and the mosquitoes and all the rest of it, and we certainly appreciate your comments and what you had to say and put on the record. Thank you for being here.

Mr. Bertnick: The other thing I would like to address is the people on this side of the table. Tell the Premier (Mr. Doer) not to laugh at teachers in the media, because when you snicker and say taxpayers' dollars, who the hell do you think pays taxes here? I pay taxes all over the place and he gets them in his pocket and spends the way he wants except for giving me what I need, except for putting money on my table so I can buy groceries for my kids. That hurts.

These people have been very polite. I don't think I want to be polite. I'm embarrassed by my association that I worked hard for, for years. I'm fed up with what's going on. The guy that talked before me, I'm sorry I can't think of his name, he's right. Pay your bill. If I owed money at the bank, they'd take everything I've got. Pay your bill. I can't do that so do it for us, or else get your boots on and let's go, folks. Thank you.

Mr. Chairperson: Thank you for your time with us.

The committee now calls No. 56, Gordon Grist. Is Gordon Grist here? Seeing no one, the name is dropped to the bottom of the list.

Number 57 was previously removed.

Number 58, Janice Yon. Is Janice Yon here? The name will be dropped to the bottom of the list.

Number 59, Linda McEwen. Linda McEwen is dropped to the bottom of the list.

Number 60, Don Bellamy. Don Bellamy is dropped to the bottom of the list.

Number 61, Stan Dychko. Stan Dychko is dropped to the bottom of the list.

Number 62, Guy Boulianne. Is Guy Boulianne here? Seeing no one, their name is dropped to the bottom of the list.

Number 63, Theresa Bowser. Theresa Bowser is dropped to the bottom of the list.

Number 64, Linda Dart. Linda Dart is subsequently dropped to the bottom of the list.

Number 65, Dorothy Gowanlock. Dorothy Gowanlock is dropped to the bottom of the list.

Number 66, Sandra Johnston. Very good. Do you have copies of your presentation?

Ms. Sandra Johnston (Private Citizen): No, I do not.

Mr. Chairperson: All right, that's fine. You may begin when you're ready.

Ms. Johnston: Okay. Good afternoon, Mr. Chairman and committee members. I'd like to begin by quoting from a message delivered by the TRAF president of the day, Tom Ulrich, which was written on the occasion of TRAF's 25th anniversary in the year 2000: We are committed to administering the teachers' pension plan in a responsible and caring manner to assure a secure pension fund that will provide our members with the benefits they have been promised and the information needed to make educated retirement decisions.

In the same publication, MTS President Jan Speelman comments: The story of TRAF is the story of Manitoba teachers' struggle for a fair and adequate pension. The struggle continues and this is my story as it relates to my teachers' pension.

Madam Vice-Chairperson in the Chair

I am a retired teacher who contributed to a pension for 32 years. Part of those contributions was placed in an account that was meant to provide protection against inflation, COLA. The Manitoba government was supposed to match those contributions but did not. Instead, it maintained an unfunded liability. Pension contributions are intended to be an investment for retirement. What happened to our money that was supposed to be available for retirement? What happened to our

COLA fund? In the 1980s, teachers could not invest in RRSPs because at that time, the amount we paid into our pension left no room to purchase RRSPs. Extra contributions to the pension fund, which had once been allowed, was discontinued.

Then, in the 1990s with rapidly rising tuition fees, limited government bursaries, and unavailable government scholarships, and with two university-bound children, I felt I had to assist them financially as I did not want them to be burdened with a heavy debt load upon graduation. Even though RRSPs had now become available to teachers, there was little money left to invest, as teachers' salaries were virtually frozen due to the government policy of deficit reduction.

Since basic pensions were based on the average income of the last five years of teaching, that policy severely impacted the basic pension of every teacher retiring in the years prior to and including 2001. I knew that my pension would be modest but I didn't worry. I would be able to keep up with inflation because we had paid for a COLA. Every pre-retirement plan I made, with or without a financial adviser, was based on that supposition.

With the stress of the '90s, health issues developed and I knew I would have to retire as soon as possible. I had heard a few muted rumblings about a possible problem with our pensions, but I didn't worry. I had always defended and supported our association even when others grumbled about ever-increasing association dues. Didn't we have MTS to stand up for our rights?

At the age of 55, I retired in June 2001 and soon discovered how naive I had been. Teachers retiring in 2001 were beginning to learn that the inflation protection for which we had paid would not be forthcoming. We faced government intent on renegeing on the promise of inflation protection. Our COLA was now virtually frozen. Moreover, MTS seemed to be siding with the government against retired teachers. I was stunned and profoundly disillusioned and demoralized. Eventually, I realized I had little choice but to supplement my pension income. After five years of retirement, at the age of 60, with a rapidly eroding pension, I returned to work as a substitute teacher.

* (13:50)

My estimated loss this year alone, after seven years of an inadequate COLA, is \$3,000. This year

alone. Without a substantial improvement in COLA, my modest pension will be devastated. It is now hovering near the poverty line. This is not the retirement for which I have worked.

In the last decade, inflation rose by 25 percent. This is according to the Bank of Canada, as stated in the *Winnipeg Free Press* of June 29 of this year. COLA paid to retired teachers during the same period has been inadequate, to say the least. This has had a serious impact upon our purchasing power. Living costs continue to escalate rapidly, and inflation erodes our pensions by thousands of dollars annually.

The government's pathetic, too-bad-so-sad stance is irresponsible and insulting. In order to meet its obligation to the pension fund, the Manitoba government recently borrowed \$1.5 billion. In addition, the retired teachers of Manitoba have deposited a surplus to the pension fund. But none of that money is being used to meet its obligations to retired teachers. Why is this government choosing to ignore retired teachers?

Pension plans were set up to pay for past generations, not for future generations. To quote the editor's comment in the *Winnipeg Free Press*, of July 23, yesterday: Deals made in past contracts with public servants must be honoured. Future agreements must reflect a different reality.

It is cruel and unjust to impoverish the present generation of retired teachers. We paid for inflation protection, we earned it, and we are entitled to receive it. All we are asking is to be treated with honesty, dignity, and the integrity we deserve. Anything less is unacceptable.

No, I do not support Bill 45. I support RTAM, and I urge you to withdraw this terrible bill.

Madam Vice-Chairperson: Questions for the presenter?

Mr. Schuler: Thank you very much. You, like all the other presenters, have waited very patiently. The last three nights we suffered mosquitoes and bugs, and, today, we're clearly suffering humidity.

Your presentation is very telling. You mention you want to be treated with honesty and integrity. I think that's a message. If we walk away with nothing else, that's a consistent thread that has been woven through the last four days is, please, treat us with integrity. I think that is very telling.

As we go forward, we will, certainly, as a committee, be talking about the legislation. We'll see where we go from here, and appreciate your input and your comments on the bill. Thank you for coming.

Madam Vice-Chairperson: Did you want to respond to that, Ms. Johnston?

Ms. Johnston: Thank you very much.

Mr. Lamoureux: At the time of your retirement, just so that we're really clear, to what degree did you figure that the COLA would actually cover you into the future? Was it 100 percent? What was your impression?

Ms. Johnston: I had absolutely no worries. As far as I was concerned, I had done everything required. I had paid all my dues. We were told we had inflation protection. I didn't think about 100 percent or two-thirds percent. I had inflation protection. I had a good pension.

Mr. Lamoureux: The follow-up question—and I do this in good part because I want members of the New Democratic Party to listen to this part—you went back to work only because of the pension issue?

Ms. Johnston: Yes, that's exactly right.

Madam Vice-Chairperson: Seeing no other questions, we thank you very much for your presentation.

The committee calls Maria Nickel. Ms. Nickel cannot attend, but she has a written submission. Is it agreed that this will appear in *Hansard* as written? *[Agreed]*

The committee calls Carolyn Lintott—*[interjection]*—yes, Mr. Schuler.

Mr. Schuler: Madam Vice-Chairperson, Carolyn attended two sessions and she asked me to present to the panel the written submission that she would have read if she could have been here.

Madam Vice-Chairperson: Is there agreement from the committee to have this appear as presented in *Hansard*? *[Agreed]*

Mr. Schuler: Carolyn Lintott, an esteemed assistant superintendent of the River East school division, was here for three days and waited her opportunity to speak and, like a lot of people, has to move on with her life and get other things done, a failure of this committee system and the structure that we seem to be suffering under.

It's very unfortunate that Ms. Lintott didn't have the opportunity to present herself. I worked with her when I was a trustee on the board. I think we would have benefited hearing her presentation, but I appreciate that she tabled it.

Madam Vice-Chairperson: The committee calls Lea Mansell. Once again, Lea Mansell. Lea Mansell's name will be dropped to the bottom of the list.

The committee calls Gerry Sankar.

Floor Comment: I have a written submission to submit on his behalf.

Madam Vice-Chairperson: Thank you. There is a written submission being circulated. Is it the will of the committee to have this written submission appear in *Hansard* for Gerry Sankar. Agreed? *[Agreed]* Thank you very much.

The committee calls Monique Ting. Thank you very much. You can proceed, Ms. Ting.

Ms. Monique Ting (Private Citizen): Good afternoon. Retirement for Manitoba teachers doesn't pay much, but the benefits are out of this world. Did you hear that? That's how long we have to wait for our benefits.

I don't know about tomorrow; I just live from day to day. I feel like a beggar asking for my own money. Is that enough disappointment with the cost-of-living adjustment? I have been retired for eight years. In my case, I saw right away the net income was about the same after eight years of retirement, but the cost of living has increased and our buying power has gone down.

The most obvious change that I have seen in the health care—the insurance premiums went up, so the pay cheque is down, and the coverage decreased. I'll give concrete examples. One of my prescriptions went up by \$40 just without warning. I need inhalers for asthma; they used to cost \$10. All of a sudden, within the one year, they cost \$37.

My prescriptions are covered 80 percent by Blue Cross for a total of \$1,000. This is equivalent to about six months of prescriptions. I have to pay for the rest of the year. Some prescriptions are not covered; some health problems are better treated by alternative medicine. There is no help for this kind of treatment.

* (14:00)

Just imagine with having to cope with other expensive drugs, like chemo. I have a sister who had to do this. Our purchasing power is eroded because of the consumer price index and the lagging cost of living. At a time when teachers should be enjoying a more relaxed life some must struggle and must cope with a pension that is at or below the poverty level. Health care is not a luxury. Now, the high cost of energy has created spiralling costs for the basic necessities of life: food, shelter, transportation and health care. I've put a quick calculation there. It's not precise because I did not compound. But it just shows you the bottom line is that since I retired eight years ago my net income increased by \$38 a year. That is about \$3 a month.

In the past negotiations, the teachers gave up disability and—for the pension plan—and paid a higher allocation to the COLA account. Now, this disability insurance—if anybody is aware of the problems that exist in teaching, the cost of disability went way up. We paid our insurance, and we paid for the cost-of-living adjustment. We paid our dues. I urge the government to honour the provisions of The Teachers' Pensions Act. It has failed us. It is obvious that there was lack of, or a very poor liaison.

While I was teaching I attended many sessions on retirement and I even organized. At that time, teachers were helping one another, and, I started from my first year of teaching volunteering in the Manitoba Teachers' Society and taking on jobs like chairperson of the employee benefits. I had a concern for everybody to understand their benefits, and one of them, of course, was pension. So I attended so many sessions of that. The message was always that teachers would get a fair cost-of-living adjustment. Now, this was an important factor in deciding when one would retire.

I may get my wires crossed. I have been here for quite a while.

Our job was to teach, so teachers didn't have that much time to study everything that was coming out, like at the pension level. But we did pay for our pension at the higher rate to have a higher cost-of-living adjustment. My funds were invested. What about the government? It pays my pension. After having my money for 33 years, they start paying my little pension, and very little cost-of-living adjustment.

Now, yesterday I was in my car when I heard Mr. Doer laughing while talking about having to—he was lamenting borrowing \$1.5 billion for our pensions. How did I feel? I cannot describe it. Maybe you can see it in my face. I cannot believe it. I have never seen something like that. I will just say that he may not be laughing when the next round of elections comes.

Also, I have a question: Did the government have to borrow for the Spirited Energy campaign that would be—what was the cost?

Floor Comment: Three million. Two to three million.

Ms. Ting: Okay. Well, add it up. Did you have to borrow it to fund the plebiscite? I sincerely think that the money paid for the plebiscite would have served us better by using these funds as a deposit towards the cost-of-living adjustment.

Other provinces have dealt with this matter. The Province of Manitoba ranks the lowest in the country in this matter of cost of living. I urge this government to honour the provisions of The Teachers' Pensions Act and consider treating the teachers fairly. I always thought the NDP supported the working people. Considering the treatment that we have received from this government leads me to question the fairness of the NDP policy towards working people.

I sincerely hope that this government will address these serious issues and rectify the problem with fairness. We need a fair COLA. I hope that active teachers will be watchful and wise. Realize that the lack of support that you witness today may show up again when you don't expect it, just after you retire. Thank you.

Madam Vice-Chairperson: Thank you very much.

Are there questions for the presenter?

Mr. Schuler: First of all, thank you very much for coming. We appreciate your presentation, appreciate the passion.

I have to correct something that you said. You made a comment. You said, I feel like a beggar asking for my own money. Well, that's an oxymoron because beggars don't ask for their own money. I'd say you're more like a banker asking for your money. I can't even find the proper analogy. But beggars don't ask for their own money back, so you're not a beggar. You're asking for your own money. That

doesn't mean you're a beggar. You're asking for your own money, and that's only fair and right.

I have to clarify a misconception here. The \$1.8 billion that the Premier (Mr. Doer) snickered and chuckled about this morning that he borrowed for the teachers—the Premier is a brilliant politician. He can turn a sow's ear into a silk purse. All what they've done is move the unfunded liability, and they've called it something else on the financial statements. It is something the government owes, and it's just moved somewhere else where the government owes it. It is money that the government owes to the pension plan. He is not funding your pension. It is a liability. It is where the taxpayers have allowed it for—whoever is to blame, but governments have allowed that to accumulate. It is a liability whether it's called unfunded or it is somewhere else on the financial statements. The Premier didn't, out of the goodness of his heart, run out and borrow money to put into the teachers' pension fund. It should have been there in the first place. Now, my generation—those coming up behind me will have to somehow figure out how to get us out of this mess.

So there is a misconception that we have to deal with it and it wasn't funny. Laughing about it is not respectful, and it is demeaning to those individuals who put their dollar in and the government was supposed to put their dollar in. Now, if the government is trying to somewhat insinuate by moving it as a debt on this side and it's still a debt here that somehow he's done something wonderful for you—no, government owed it to you right from day one. We thank you for your comments and appreciate your—*[interjection]*

Madam Vice-Chairperson: Excuse me. I'm sorry. As mentioned before, there is not participation from people in the audience. Did you have a response, Ms. Ting?

Ms. Ting: Yes. I really feel some members here in front of me are very considerate and very conscious and seem to understand our problem, but other people, I'm not sure. They're very quiet, so I cannot know what they think.

Madam Vice-Chairperson: Thank you. Do you want to stay at the mike, please?

Mr. Lamoureux: There have been a few presenters here this morning, and I must admit, I didn't hear the comments on CJOB. I think one of the speakers said

it's maybe in the CJOB audio vault and we'll have to take a look to see if it is there.

* (14:10)

Quite often, when things are said inside the Chamber where it's very hurtful, we see an apology. We will have to wait and see whether or not the retired teachers are given an apology. It's with regret that we hear what you had to go through in terms of sitting in the car. I know for many of the presenters to be sitting here for 18 hours, Monday, Tuesday, Wednesday till midnight and then to be coming to the Leg, listening to CJOB and then hearing that, it would have been very hurtful. It's unfortunate to hear that, and we'll wait and see if there's an apology. If there's not, maybe we'll be asking for that apology come September.

Ms. Ting: Thank you for your attention.

Madam Vice-Chairperson: Thank you very much for your presentation.

Committee Substitutions

Madam Vice-Chairperson: For the information of the committee, we have a couple of substitutions. First of all, from the New Democratic Party: Ms. Marcelino will be substituting for Mr. Maloway; and Minister Melnick will be substituting for Minister Irvin-Ross.

Madam Vice-Chairperson: Also, we have several more written submissions from the following persons. If you wanted to go to your sheet, I'll give you the number: No. 148 on our speakers' list, Gordon Henderson; No. 149 on our speakers' list, Linda Puttaert; No. 183 on our speakers' list, Wayne Watson. We have an additional presenter who's also given in a written submission, Rhea Chudy, and another written submission we received from No. 58 on our speakers' list, Janice Yon. Does the committee agree to have these documents appear in *Hansard* transcript for this meeting? *[Agreed]*

Copies are being distributed currently to members.

Committee Substitution

Madam Vice-Chairperson: As well, I would like to make the following substitution for the standing committee, from the Progressive Conservative caucus: Mr. Schuler for Mr. Goertzen.

Madam Vice-Chairperson: Our next presenter is Leslie Chale. Once again, Ms. Chale. Ms. Chale's name will be dropped to the bottom of the list.

Mr. Bob Thompson, private citizen. Good afternoon, Mr. Thompson. It's nice to see you here. You can proceed.

Mr. Bob Thompson (Private Citizen): Thank you.

My name is Bob Thompson and I'm a retired teacher. I live in Fort Garry. I taught for a total of 45 years, 31 of which count for pension purposes. I am presently a member of RTAM and was an active member of the Manitoba Teachers' Society, both at the local and provincial levels for many years. I am a past president of the St. James Teachers' Association and was an executive member of the Frontier association.

Before I start, I must make a comment completely unrelated. Since this process started, I have spoken to people several times in the office of the Clerk of the Legislative Assembly. I must compliment them on the way they handled all my questions. So thank you.

As I sat and listened on the opening evening of the presentations, I heard two opposite positions presented, one from the view of the older adults who are receiving a lower COLA than they believed is their deemed right. The other from representatives from The MTS talking about what is basically accountability.

What we are seeing here are displays of the characteristics that make good teachers. The minister, having spent many years in the classroom, also contributes as he himself would have some of these characteristics. Thinking back, what are some things common among teachers that you had? Hard workers, certainly, displayed this week. Tenaciousness, who would work on an issue that would not affect them for many years or stick to a view they truly believe is the right one for such a long time? Controlling, line up behind me, please. Willing to stand up and be counted. How many submissions, both written and oral, have been received? Caring, each and every one within these groups is working for a betterment of others.

Now, I could go on, but you get the idea.

Some of those who spoke against the bill talked of a deal. That deal worked with a question mark for

some years, but we are seeing it is not working now as the COLA payments are not adequate. It seems to me the time of the deal is over, and we have to move on and consider the realities of 2008. These are different times. The wants and needs might be the same, but the realities are different.

On the opening night, one of the speakers asked what type of COLA the MLAs had. The answer was two-thirds. How did our Legislative Assembly receive this level of adjustment? As I understand, after each election an independent commissioner is named and he or she develops a package that must be either accepted as a whole or rejected as a whole by the Assembly. Mr. Sale developed a group of recommendations regarding the issue before us. The minister presented this as a take-it-or-leave-it package.

I'm trying to develop a parallel between our situation as retired teachers and the ladies and gentlemen sitting before me because many of my colleagues within RTAM seem to believe we are being treated unusually uniquely and unfairly. We do have a serious problem that was many years in the making, and a decisive decision must be made if we are to correct some of the issues. Notice I said some of the issues.

Are the conditions as laid out in Bill 45 reasonable for the majority of those older adults who are receiving a TRAF pension? Will they be reasonable for those retiring in the near future? Both sides agree that there needs to be an improved COLA, and it seems to me this bill does that. This year I am told that my increase will be 1.4 percent rather than 0.7 under the present system. One must remember that this amount next year becomes part of my regular pension for as long as it is paid out, over \$10,000 if the pension is paid for 20 years. Then add on the next year and the next year.

We cannot discount the effect on the regular fund. At the moment, growth within the pension fund does seem bleak at least in the short run. Therefore, it would not be prudent to move any money from the pension fund to increase the COLA.

RTAM puts forward the argument that the government of Manitoba does not have the moral authority to proceed with this bill as the vote was 52 to 48. In a democracy, 50 percent plus one makes the decision. How often did we as associations have decisions made following very close votes?

On Monday and again today, I heard several speakers speak of poverty. Hard times some of our retired teachers are having. Now, we must realize and remember that these were the people who received the good-sized COLAs until about the year 2000. Yes, some teachers who have been retired some time are in dire straits, but this is not a COLA issue and should not be part of this forum. My organization needs to look at the issue of poverty and begin to bring it forward to the appropriate venue.

How would I like to see this impasse resolved? Now, would the president of our organization call her board together to rethink our position? Is it time for us to compromise? We have stuck with this position for over five years. We need to weigh the lost monies we would have had against what seems to be no possibility of our position being accepted.

On the board of RTAM there are many people who were leaders within the Manitoba Teachers' Society for many years. Others have come forward since their time of retirement. Each and every one of them has worked long and hard for the welfare of both active and retired teachers. Now is the time for them to say to the membership: We tried, but now is not the time. We have told the minister we will support the proposal changes, but we will return.

Both sides of the table in front of me and those teachers behind me were, in different ways, responsible for allowing the COLA of teachers in Manitoba to reach the point that it has. Now, all of three of these groups, both the left- and the right-hand sides of the table must work together with those people behind me so that this becomes law as soon as possible and I can get my COLA. Thank you for your time.

* (14:20)

Madam Vice-Chairperson: Thank you very much.

Are there questions for the presenter?

Mr. Schuler: Yes, and thank you very much, Mr. Thompson. I have had you in my view here, exactly where you are sitting, and you have waited very patiently for a long time for the opportunity to put your comments and thoughts on the record. You should be doubly commended because the entire time you sat there with a tie on, and in this heat that is to be commended.

I just want to make one thing clear, that the independent commissioner who views our wage after every election, we do not yea or nay it. It is whatever

that individual suggests our pay for the next four years. So we actually have no say on it. Whatever is presented, that's it, take it. You wanted the job, don't complain about it is basically how the MLAs are treated. It's been, I think, the right way to go. It takes the politics out of it. So, anyway, that's how that goes.

You know, appreciate very much your comments and your thoughts that went in here. We've had a variety of different presentations, different viewpoints and appreciate yours very much. Thank you for being here at committee.

Mr. Lamoureux: Just to pick up on the point that Mr. Schuler made reference to, the single biggest difference between the individual that sat to determine what was going to happen with MLAs and the individual that drafted the Sale report, Mr. Tim Sale, is that Mr. Tim Sale was a political appointment whereas ours is done in an apolitical fashion, believing that it would give more credibility. We know that individual knows that it's binding.

So, in terms of a process, do you believe that Mr. Sale was the best person to be commissioned to do this report, or would it have been better to have had possibly a consensus on an individual that might be able to do the report?

Mr. Thompson: That is not an issue I've ever thought about. Probably, just off the top of my head, someone who is a little bit more removed, but can you ever find anybody who is unbiased? The most independent person certainly brings their own issues, and you don't know if their mother-in-law or granddad or something was a retired teacher. So, on the face of it, it seems, yes. But if you look into it a little more deeply, I am not sure, because Mr. Sale was a respected Cabinet minister who did, from my point of view, bring forward many good recommendations and those are the basis of a bill which I support.

Mr. Lamoureux: The issue there is that if the Retired Teachers' Association and MTS were involved in the process of selecting an individual, do you not think then there would have been more confidence in the report itself? You mentioned a bias. Well, Mr. Sale sat around a Cabinet table with the New Democratic Party. He might have been influenced by the policies of the day and so forth.

Mr. Thompson: You ask difficult questions, Mr. Lamoureux.

I guess, not being privy to the amount of negotiations that went on between the three groups, if there had been a lot of talk, which it seems there has been, Mr. Sale might be the most appropriate if RTAM had no input anywhere along the line, or The MTS. It would have been more helpful if they had been brought together to see if they could get an independent, but I don't think that would have been an easy thing either.

Madam Vice-Chairperson: Seeing no other questions, just before you leave, Mr. Thompson, I wanted to thank you very much for all your volunteer efforts you do on behalf of seniors in Fort Garry.

Mr. Thompson: Thank you.

Madam Vice-Chairperson: The committee calls May Goral. Once again, May Goral. Ms. Goral's name will be dropped to the bottom of the list.

The committee calls Hillel Taylor. Once again, Hillel Taylor. Hillel Taylor's name will be dropped to the bottom of the list.

The committee calls Ursula Schindel-Ditchburn. Ursula Schindel-Ditchburn. Ms. Schindel-Ditchburn's name will be dropped to the bottom of the list.

The committee calls Tom Carlyle. Tom Carlyle. Mr. Carlyle's name will be dropped to the bottom of the list.

The committee calls Norman Asher. Norman Asher. Mr. Asher's name will be dropped to the bottom of the list.

Albert Labun. Good afternoon, Mr. Labun. Did you want to raise the mike up just a little bit if you don't mind. Thank you very much, and I see that you do not have a written presentation, sir.

Mr. Albert Labun (Private Citizen): That is correct.

Madam Vice-Chairperson: Okay, you can proceed whenever you're ready, Mr. Labun.

Mr. Labun: Good afternoon, Madam Vice-Chairperson and honourable members. My name is Albert Labun as you've heard, and I speak in support of the RTAM position.

Perhaps you will have heard considerable detail on the RTAM objections to Bill 45, so I will tell you mostly my personal story of how the pension provisions have affected my various career decisions.

I was in the teaching force for 25 years, mostly in Manitoba. Started off in Portage la Prairie Collegiate and, after three years' experience, I went to Africa for three years as an unpaid teacher with MCC before returning in Transcona.

When I'd been teaching for 12 years, my older brother, a doctor who had been serving unpaid for MCC in South America and was now resuming his career in Manitoba, died tragically of cancer just before his life insurance and pension provisions kicked in. He left behind a young family. Well, one of the things I did was to call in an insurance agent, my uncle actually, so that I would not leave my family unprovided for. He said, and this is my point here, as a teacher I would be getting excellent pension provisions and so I should not be overly concerned about retirement income. So we settled for a life insurance policy for the princely sum of \$25,000. That was very adequate, we thought, at the time, and that was just 30 years ago.

So I got on with public service in the school system. Some of you may know Deputy Minister of Education Lionel Orlikow. He introduced me to teaching drama as a product of the classroom's efforts to understand their society that they lived in, original study research, original theatre as an outcome where they presented. Now this is commonly called collective creations. And then, under Orlikow, three of us, including Colin Jackson, started the classroom arts program for the province, a program that was promptly axed by the next government but revived fairly soon after in a modified form as the Artists in the Schools Program. So I got on with teaching and occasionally adding in provincial curriculum committees or leading workshops until I was encouraged to make a career choice.

* (14:30)

I was asked to become an educational consultant with a school division, but at the same time I was asked to become the general director of Manitoba Pioneer Camp, a children's camp with high-quality wilderness programming. I think that now in the last 20 years they've trained the majority of canoeists to national certification level in this province. It was half the salary. They urgently needed someone to take over, and that was in 1985. When you see yourself as equipped to serve others whose need is more pressing, which position would be harder to fill? So I turned down the consulting position and left the teaching profession after 25 years and worked for

a children's camp for the next 18 years, often without pension.

Well, what does this have to do with COLA? I welcomed the new challenges of the children's camp. I was not serving children and families of Manitoba in order to feed a soft lifestyle. On the other hand, I thought I knew what my pension would be and what I would need to live on and so I'd done my calculations. Of course, I was wrong. Not included in my calculations were the neglect and failure of the various government and teachers' bodies, perhaps, to provide the funds to back up the promises made in the pension act. When I investigated returning to teaching after having done what I could with the children's camp, I found that nobody was interested in hiring somebody who was in their 60s. That's why I voted no in the plebiscite.

When recently Premier Doer said on CJOB, he's undertaking to deal with 30 years of neglect, I assume he means neglect by all the various governments, whether they be Tory or NDP. I think this is a very honourable thing to do. Finally, someone is doing something. But, when he says that Bill 45 will give retired teachers a two-thirds COLA and not just the one-third they are now getting, I wonder. Actually, my teacher's pension increased by rather less than one-third of 1 percent in each of the last three years, just over \$100 a year. I think inflation is increasing rapidly.

The RTAM points out that there is no assurance given in Bill 45 that COLA will increase up to the two-thirds of CPI that the Premier praised as fair. That is the maximum it can increase under the Sale report in Bill 45, and it may be zero. So I wonder what is the kind of honour Manitobans want to give to those who spend their lives as public servants. I tried to find out what provincial civil servants receive. I was told it was two-thirds percent of CPI, but when I tried to confirm on the Manitoba Securities Commission Web site and other sites, I was denied access. I just ask, is it a floating rate like Bill 45 proposes? I wonder what protection against inflation do the guardians of law and order in our province receive in their pension plans, the police. I don't know their figures either, but I wonder, should those who strive to build the moral fibre of our young people get any less, or should it be allowed to lie at zero percent? We've just heard in the previous presentation some discussion of what the members of the Legislative Assembly receive. That seems fair. Could we have the same?

Those of us who devote our lives to teaching and building good citizens, are we to also bear the burden ourselves of rising costs of living, but others that serve society are sheltered by our government? I was lucky enough to be at Manitoba when this hastily called plebiscite was run. May and June are the months for weddings, and we had a wedding for my brother's son in May, but we decided we just couldn't go to visit our relatives in B.C., so we were here to vote no.

Other retired teachers did not have the same opportunity to address their own future. In fact, that seems to be a problem with several levels of the negotiation process. One only that I will mention is the ten-year moratorium on further discussion of the questionable benefits of the package. Ten years of suspense, is this something I'm supposed to be happy about? How come active teachers who still have time to plan their retirement got to vote and tell me, having planned my retirement very carefully, that retired teachers should shut up for 10 years while they figure out what they will do with their future financial plans. MTS and the provincial government it seems are happy to sacrifice a generation of their old colleagues in the public service.

So I ask you to accept that the plebiscite is far from an authoritative mandate from all the teachers and reopen discussions with the Retired Teachers' Association. I understand they are prepared to negotiate to accept rather less than they were promised in the old pension act, but they're not willing to accept contempt.

Thank you.

Madam Vice-Chairperson: Thank you.

Are there questions for the presenter?

Mr. Schuler: Yes, and thank you very much, Mr. Labun, your comment here. First of all, thank you for waiting so patiently. I was going to mention that, you know, all the mosquitoes we've had to endure last night and the heat today, but you mentioned that you did teach—in Africa was it?

Mr. Labun: Yes.

Mr. Schuler: So this heat and the mosquitoes probably are something that you more than had gotten used to when you—the kinds of conditions you taught in, in Africa.

It's very important that we have individuals come forward and give us life story because there's no cookie-cutter teacher. I mean, like yourself you

did other things, not getting paid much or not getting paid at all, but yet doing service basically to the world, going and teaching in other countries, and that's to be commended. Knowing that, and knowing what your pension would be, you come back and depend on something and find out that that's not there. I think that's very important for this committee to hear and to know that not just do teachers spend time in the classroom here, but they also do a lot of volunteer work, a lot of humanitarian work. I think that was really good for this committee to hear and certainly I appreciate it as one committee member.

Thank you for all your years of service. Thank you for doing the kinds of things—teaching in other countries. That's also very important, and we appreciate your comments and what you put on the record very much.

Madam Vice-Chairperson: Did you want to respond?

Mr. Labun: No, except to thank you for your attention.

Madam Vice-Chairperson: Thank you very much, Mr. Labun.

The committee calls Ron Phillips. Once again, Ron Phillips. Mr. Phillips' name will be dropped to the bottom of the list.

The committee calls George Wall. Once again, George Wall. Mr. Wall's name will be dropped to the bottom of the list.

William Beitzel. Mr. Beitzel's name will be dropped to the bottom of the list.

Carol Beitzel. Once again, Carol Beitzel. Mrs. Beitzel's name will be dropped to the bottom of the list.

The committee calls Mary Starodub. Once again, Mary Starodub. Ms. Starodub's name will be dropped to the bottom of the list.

*(14:40)

The committee calls Audrey Sunon. Once again, Audrey Sunon. Mrs. Sunon's name will be dropped to the bottom of the list.

The committee calls Valdine Johnson. Mrs. Johnson, please take your time. There's no rush. Good afternoon, Mrs. Johnson. I see that you do have a written submission and that's being circulated. Whenever you're ready, you can proceed.

Ms. Valdine Johnson (Private Citizen): Mr. Chair— or Ms. Chair, sorry. For three days I faced a Mr.—and members of the two committees of the Manitoba Legislature, teachers of both The MTS and RTAM, I would like to start by taking some minutes before I give my presentation to let you know a little bit about me. I feel I know a lot about the group that I'm facing, or at least more than I did when I came.

I come from the swamp area of Manitoba, southeastern, and started school without speaking English. It has been a long time since then, and a wonderful time on the whole. My parents couldn't send me to either Emerson or Winnipeg to go take my grade 12, which wasn't offered at home. I think they couldn't trust me. So I was sent to a convent at St. Jean. After that I went to normal school and went to teach in one of the richest farm areas of Manitoba, a bit of a shock to a swamp area Manitoban. There were 10 grades. The two grade 10 girls were doing correspondence, and they were a year younger than I.

After three years in the country schools, I went to Winnipeg because my family felt I should be there. My brother was missing in action, and they felt I should be there. So off I went to Winnipeg, and my first assignment there was in what was then called the slums of Winnipeg, between Henry and Higgins Avenue. I worked there for eight years, just loved the kids there, but after those eight years I applied to go up to Fort Churchill because my sister and her husband, an air force person, had been posted there. I spent four years at Fort Churchill, the Duke of Edinburgh school.

In the middle of June that year, I was called in by the commander of the base, who said to me, you have been nominated to go to Europe to teach. I was astounded because I hadn't applied. I said, well, I can't go; it's the middle of June and you can't leave your school in the middle of June. I think at that time you had to have given the notice by the end of May, if I remember; it's a long time ago. But, he said, I'm sorry, it was decided. There was a group of visitors from Ottawa who had come on a fishing trip, all men, of course. Among them was one man who was responsible for the hiring and placement of Canadian teachers going to the DND, Department of National Defence, schools in Europe.

I went over and started work on an air force base, and I stayed there for two weeks. Called into the superintendent's office, two of us. He said, you're the only two of the teachers over here, of the 600 over here, who have admitted that you taught in a

rural school. Now one of you has to go to this school in Paris. It has nine grades. He didn't tell us how many children there were. The Canadian contingent in this international school was on a half-time basis for their children with the French Department of Education. Heaven knows, we didn't know what that meant, but the other girl refused to go, so off I went. I had 27 pupils.

The grade 9 boy, there was only one, took Latin. Well, I had never faced a Latin book in my life. So, first of all, he taught me as much as he knew, and then I carried on and he passed his grade 9 examination. However, my appointment was for two years. But at the end of the two years, the Shape International School, asked me or asked my division back home whether I could remain for another two. I was a tiresome person to them I'm sure, but they felt that they were better with someone they knew, I think, than someone new coming in. So I stayed there for four years.

At that time I went back to Churchill and spent another two years there, but the principal there at that time was not really in favour of the great freedom I had been given and wonderful opportunity I'd been given two years to work overseas. I won't begin to tell you how wrong he was, but never mind, it was an eye-opener for sure. But he said, I am not going to recommend—I had asked for time to go to continue my studies at the university. He said I am not going to ask the board here to give you that opportunity. So I said, all right, I'd accept that, I'd have to, and I paid for my own education at university.

When I finished and I was going back to teaching again in Winnipeg, I had naturally some pay back. As I remember it, it was \$10,000 to buy me back into good stead. I owned exactly \$4 in my bank account. However, that was the beginning of my teaching in Winnipeg. I went and taught in a junior and senior high school, then in an elementary junior high and finally a junior senior high.

Then I retired after 41 years in the field of education. I certainly was a member of The MTS and worked on a number of committees. After I retired I became a member of the Retired Teachers' Association serving as their second president. Sorry, couldn't even remember what that was, but anyway, I was so fortunate to have the guiding hand or leading hand or something of George Strang in that time that I was working there. What I spent my time on mostly, because George was doing so much of the

work in setting up RTAM, he would let me help him as much as I could, which wasn't much. I spent my time getting to know the teachers in the rural areas because we were trying to get more people in rural Manitoba to join RTAM. That was a very happy time for me. I loved visiting the people in the country and was treated so extremely well.

Anyway, I want to say at this point—because this is where a little bit of humour comes in I think. On Tuesday morning before I came here, I received a letter that is an annual—sending to me here from the—it's a letter to old age security recovery tax from higher income seniors. Because I had treated myself so well. Nobody else had given me this money that I used to pay for 2000 back pay. It was all one money I had earned from my salary. But they say, under Canada's public pension system, seniors with an expected net income of more than \$64,000 in the 2008 tax year, have to pay back all or part of their old age security pension.

* (14:50)

Now I've had this same kind of letter for—I'm not sure now if it's four or five years, but the sum is a little bit less this year. It's only \$156 a month that I have to pay back. I don't blame either The MTS or the Manitoba government for that. I just give it to you as a little bit of humour. At least, I think you might see it as a bit of humour.

Madam Vice-Chairperson: You have one minute remaining.

Ms. Johnson: Fine. I wanted to say too that I've handed out my statement. I would ask that you accept that written statement rather than have me give it because, once I left the RTAM, I had acquired a bit of a physical disability and did not attend their meetings.

I read their papers and converse with a number of them, but I do not belong as a member of that group. Officially, yes, I'm a member, but not on a basis of working there.

I did start by saying here that I was disappointed after my first evening at these meetings, disappointed in—

Madam Vice-Chairperson: Ms. Johnson, your time has expired, but I'm not sure what the—

An Honourable Member: Leave, to wrap up.

Madam Vice-Chairperson: –you have leave to finish, and that will come off your questions. So, please proceed.

Ms. Johnson: That's fine. I shall do that. I thought if you would accept this written statement which you have before you—and I followed much of what was said, especially by the Retired Teachers' Association of Manitoba representatives. I finish my statement by saying retired teachers, having paid for inflation protection, demand a better COLA deal, a long-term fix for a better COLA, and I agree with them.

Madam Vice-Chairperson: Thank you.

Questions?

Mr. Schuler: Ms. Johnson, thank you very much for coming to committee and waiting patiently day after day for your opportunity to make your presentation.

I would like to move that the presentation as presented be published in *Hansard*, if there is agreement.

Madam Vice-Chairperson: Is that agreed by the committee? [*Agreed*]

Mr. Schuler: Ms. Johnson, the first time I met you, I was a scrawny grade 7 student and I was watching you. You were the principal of Elmwood junior and senior High school and I was just a grade 7 student.

There was this known Ms. Johnson, walking up to the grade 12 students; of course, long hair was in and jeans and jean jackets. You walked up to the big grade 12 boys—you came up to about their buckle—and you pointed to them and you said, all right, now, time to move on to class. And you know what? The fear of God of you was in all of us. They turned around and they all went to class.

It was just the kind of respect that you garnered at Elmwood High and junior high. It was a tough school; it was full that year; it was packed to the brim. It's, I think, not even half now what it used to be. You ran that school with such authority, and it's just wonderful to see you out again and hear your presentation. We appreciate everything that you've done.

You moved from there. I believe then you went to the board office of Winnipeg No. 1. You have served Manitoba well; you have served this province with distinction and integrity. We appreciate your comments and everything that you've said.

I agree with you. You deserve a fair pension and you deserve a fair COLA. For what you have done for me personally to ensure that I got a good education, I will be advocating for you in the days ahead and weeks ahead that you get a fair COLA. Thank you so much for coming out and making your presentation. It's wonderful to see you again.

Ms. Johnson: I want to say, thank you. I must admit to you, though, that I do not suffer about the COLA because I arranged, foolishly, on my own to have a decent pension, but I have many, many friends who are not in that same position. I speak for them as I hand in my written account today. Thank you for hearing me.

Madam Vice-Chairperson: Seeing no other questions, we thank you very much for coming up to present to the committee today.

Mr. Schuler: And I still fear you.

Ms. Johnson: I was going to tell you it wasn't fear they had of me. But, anyway, it was a wonderful situation to be in. Thank you.

Madam Vice-Chairperson: For the information of the committee, we have received several more written submissions from the following people: No. 158 on our speakers' list, Corrina Kroeker. Also, we have written submissions from Orah Moss and Phil MacLellan. Does the committee agree to have these documents appear in the *Hansard* transcript of this meeting? [*Agreed*]

Thank you very much, and copies are being distributed to committee members.

The committee calls Louise Campagne. Once again, Louise Campagne. Ms. Campagne's name will be dropped to the bottom of the list.

Birdlyn Gray. Once again, Birdlyn Gray. Ms. Gray's name will be dropped to the bottom of the list.

Gilbert Barry Nelin. Gilbert Barry Nelin. Mr. Nelin's name will be dropped to the bottom of the list.

Edward Mann. Hello, Mr. Mann. Mr. Mann, I see that they are putting your written submission out for members to read. So you can proceed whenever you're ready and if you want to bring the mike up a little bit, that'd probably make it a little easier for yourself.

Mr. Edward Mann (Private Citizen): I guess I'm able to be heard, am I?

Madam Vice-Chairperson: Absolutely, we can hear you.

Mr. Mann: Okay, the papers will all get shuffled anyway, and I'll probably lose my place.

Ms. Chairperson, Mr. Minister and members of the Standing Committee on Social and Economic Development, my name is Edward Mann. I am a retired teacher. I came to the front here today, and the security downstairs, I had told him I was coming up here, so he gave me a tag which says I'm on a tour. So I assumed that somehow or other this was going to be some kind of a tour.

I have been retired for 17 years. I am a member of the retired teachers of Manitoba. My background is I taught for 34 years. I taught one year in the school district of West Kildonan and one year in the school district of Grandin, and then was assumed, in 1958, when it all merged, into the school division of Fort Garry.

I have been on the executive of the Manitoba Teachers' Society, and was, all the years that I was teaching, a member of that organization in various capacities. I also have been twice the president of the Fort Garry area locals and have negotiated twice, once as the chair of the negotiations for the teachers and the other as part of the committee. Really kind of exciting times that way.

I would like to thank you and the committee today for the opportunity to speak to you and offer my thoughts on the Sale report and Bill 45. I have read the Sale report and the Retired Teachers' Association of Manitoba's response. I have also read through the Manitoba Teachers' Society Web site and the government of Manitoba's Web site regarding the proposed Bill 45. I've been here the last three nights, and today, and I'm not quite sure what that means in terms of whether this is a tour or not.

More articulate people than I have spoken, and certainly better-informed people have spoken, as to the merits or the lack of merits of the recommendations of the Sale report and the proposed Bill 45. I'm going to skip that and look at something a little different, I think. I hope you will be able to follow me.

* (15:00)

I do not agree with the recommendations. I do not agree with the proposals for Bill 45. Let me state that right off. I do believe, though, that the Sale report is a failure. Its mandate was to provide the

opportunity to reach some consensus on measures that might address the inadequate capacity of their current Pension Adjustment Account. Instead of consensus—and I think we saw that all nights and today—instead of consensus and support, we find we've got fixed positions, suspicion and even acrimony. The report then has failed.

I believe the report is a failure because it did not want to be decisive and take a position on two issues which are fundamental for any kind of agreement, let alone consensus. The report raised the issue of a full COLA and takes no position. Is the concept of a full COLA in The Teachers' Pensions Act, yes or no? Previous practices indicated the concept of full COLA is at least implied in the act.

But the concept in present times is academic. The PAA has not the money to fund it, everyone knows that, and unless government infuses the PAA with a huge amount of money, full COLA will never happen. Well, if the possibility of a full COLA in the world of actuarial reality is pie in the sky that will never happen, as the models suggest, and the report does not want to take the full COLA concept as a given, then the report should have said something to the effect, like: For the purposes of the report and in the present financial environment, no position on the concept of a full COLA needs to be taken, as discussion of it in the present context is irrelevant. If all the models suggest a full COLA is an impossible dream, then it becomes a pointless issue to be raised in the report. But this point has to be said, and said clearly: then set it aside and move on with the business you're there for.

The second issue where the report fails badly, in my mind, is the role of the Retired Teachers' Association of Manitoba. Is RTAM a legitimate organization meriting a place in the deliberations on the pension fund of retired teachers? The issue of who speaks for retired teachers needs to be clarified. Is the status of retired teachers only that of silent members of the Manitoba Teachers' Society, as its president, again, reiterated on Tuesday night? If the answer is yes and the report is satisfied that the Manitoba Teachers' Society is the official voice of retired teachers, then let it say so. That way RTAM would know where it stands and why government and the Manitoba Teachers' Society are the both parties who are operative parties to its resolutions.

If on the other hand the report considers RTAM to be a legitimate voice in the process, then it should have set a resolution to that effect, recognizing the

historical development of RTAM and its valid place in determining pension issues. The report had to make a statement. It could not be silent.

Government as the recipient of the report—and I have a typo right in here, I'm sorry: the government as the recipient of the report is "then," should be what's there, an "n" in there—is then responsible for the matter.

I would like to, if I could for a moment, also address the position that the Manitoba Teachers' Society president took. The stance that she took takes the position that, according to the pension act, only the government and the Manitoba Teachers' Society are the two parties, and that, somehow or other, because I am a retired teacher, I am part of the Manitoba Teachers' Society. Here is an organization to which I did belong, but, when I retired, from which I lost all my rights, to which I pay no dues, and I have no say in what it says or does, but who says, all of a sudden, I am a member of it. Does it represent me? No, it does not.

I believe MTS wants me, not for me, but for my money. The Manitoba Teachers' Society position on the one-point-billion pot that's somewhere floating around from one column to another, its position is that it should all go to the pension account, not a penny, let alone 16.7 cents, to the PAA. It wants to fund basic pensions. All retired teachers' basic pensions are already set, and effectively, then, we are shut out of any functioning of the PAA.

I do not want to be a member of the Manitoba Teachers' Society. No. I believe, though, that evasive silence—I'm not sure it's quite the right word but skirting the issue would probably be it. The silence of skirting the issue ruined the Sale report and a wonderful opportunity to move ahead on the PAA issues. I do not believe that there will be any progress that will satisfy all parties until the two points that I have raised have been settled. As I said at the beginning, this report and its recommendations, as far as I'm concerned, should be scrapped. Let's start over again with a new and a better process. Thank you.

Madam Vice-Chairperson: Thank you, Mr. Mann.

Questions for the presenter?

Mr. Schuler: Thank you very much, Mr. Mann, for your patience. That's quite a tour you've had of this particular committee room, and I hope you have come to, like a lot of us, get to know every little

photo and crevice and all the rest of it. Appreciate your patience.

It's clearly an issue that you have great passion for and your comments are noted. We appreciate it. You've put in a lot of time into education. You've put a lot of time into what you believe and are very passionate about. Can you reflect for a moment where you think we as a committee should go, moving forward?

Mr. Mann: With regard to the report and the recommended amendments, I think they should be set aside. I think this whole thing has to start over again with a different model, a better model. Consensus was in the mandate and consensus is not there. I think the model has to be one that brings consensus.

You have asked other people the question. I think Mr. Sale might have been as good a chair as any person. I don't criticize that aspect of it, and I don't know why the report came the way it did. I mean there are things that happened in all this to which I'm not privy so there's no way I would know, but I think the two issues that I raise have to be brought to that table, settled there, in an easy atmosphere with the people there, and then you start to address the real issues of what can we do about this. But as long as those two issues are out there, nobody's sure what of anything. What's the point of retired teachers speaking here? Manitoba Teachers' Society says we speak for you. I don't know.

Mr. Lamoureux: You started off by commenting in terms of you've been here for the three nights and now today, and one of the things that I have duly noted is the fact that there are some people that are really persistent on wanting to make sure that they verbally give their message. We truly appreciate that. It does make a big difference when we're looking at a person, seeing what it is, whether it's, you know, emotions trying to keep with your hands, the eyes, and so forth. I've never before seen as many presentations actually tabled as I have, in 18 years, with Bill 45, and I suspect it has a lot to do with just the way in which things are unfolding. So you and others should be applauded for persisting in the middle of the summer in terms of wanting to express your opinion. I read a lot into that. You're just hanging around to make sure that you're heard.

The question that I have for you is if you were to speculate—because the sad thing about Bill 45 is I do see it is causing a huge division between the retired teachers and the current teachers, and I think the

potential for long-term damage to the Manitoba Teachers' Society is very real. If you were to speculate and this be your best guess, and you were to have a poll of retired teachers, who would you say would be their advocate? The Retired Teachers' Association? Or what percentage would have your feelings that you expressed regarding advocacy?

* (15:10)

Mr. Mann: I haven't expressed my feelings to anybody. I started out Monday night with a different presentation than I have today. I was going to talk about the same things that everybody else was. That went on Monday and Tuesday and then I started revising. I will admit, at 10 o'clock this morning, I was still typing this one because I felt that the other issues were put on the table for this committee to see. You have to make the decision on that, but the two issues I raised were not.

So I really haven't talked to anybody. If you had asked me Monday night, I don't think I would have articulated them the way I have now, by virtue of that. I don't know if that helps you or not.

Madam Vice-Chairperson: Thank you very much for your presentation, Mr. Mann.

Mr. Mann: Thank you.

Madam Vice-Chairperson: The committee calls Lorne Ferley. Hello, Mr. Ferley. I see your information is being circulated. Whenever you are ready, you can proceed.

Mr. Lorne Ferley (Private Citizen): Madam Chairperson, honourable ministers, members of the committee, ladies and gentlemen, I've been a member of RTAM since I retired and would like to thank them for all the work that they've done. I know our president has been here since 6 o'clock Monday, and the executive is doing a wonderful job.

I understand that The Teacher's Pensions Amendment Act, Bill 45, has a number of amendments. I do not have a complete copy of the bill. I am here to express my concern regarding COLA only.

I've been retired for 17 years and see that the buying power of my pension continues to decrease. The passage of Bill 45, as presented, will guarantee that my buying power will continue to decrease.

I believe my government has an obligation to help retired teachers. I remember, in the spring of 1952, that because of a teacher shortage, someone

from the Department of Education came to Teulon Collegiate and begged our grade 12 class to help our province by going into teaching. Of a class of 14, 10 went into teaching. Some went teaching on permit in September; the remainder went to provincial normal school.

I gave Manitoba 35 years of service. I believe that we paid for a full COLA, but we are not receiving it. TRAF actuaries warned over 20 years ago that funding for COLA was inadequate, suggesting that action was needed.

I believe the government has a moral obligation to provide lump-sum funding for a full COLA. It's time to move Manitoba up from the bottom of provincial teacher COLAs. Please amend Bill 45 to provide a full COLA.

Madam Vice-Chairperson: Thank you very much, Mr. Ferley.

Questions for the presenter?

Mr. Cliff Cullen (Turtle Mountain): I just want to take the opportunity to thank you very much for your presentation, Mr. Ferley. We certainly look forward too to see if the government of the day brings forward any amendments to this particular legislation that, hopefully, will make it better for all retired teachers. So again, thank you for your presentation.

Madam Vice-Chairperson: Mr. Ferley, did you want to respond?

Mr. Ferley: I feel that the government should be able to put in a lump fund or lump-fund funding to support the COLA.

It seems to me that there's been a lot made of the \$1.5 billion that Mr. Doer talks about. I believe that the money was not given to TRAF. I believe that the money has been put into a trust fund and the money is conveyed to TRAF whenever they need it.

I also know that, when I considered teaching, we were promised 2 percent a year for our experience and, after 35 years of service, I would get a 70 percent pension. When I retired, checking my pension, the pension that I'm receiving is only 63 percent, not 70 percent.

Back in 1981 or before that, the pension was based on a seven-year average. In 1981, I paid \$5,204 to change it from a seven-year average to a five-year average. In 1966, when Canada Pension came in, it seems that the money that was—we were being deducted 1.6 percent for pension. After 1966,

that dropped to 1.4 percent because of the contribution to CPP. So it seems to me that not only did my contribution decrease but the contribution by the government was also decreased. So I feel that as a result of the service by the people that you've heard here today and lots of people that could not make it and teachers over the years have earned a full COLA.

Madam Vice-Chairperson: Thank you very much for your presentation, Mr. Ferley.

The committee calls Maurice Roach. Once again, Maurice Roach. Mr. Roach's name will be dropped to the bottom of the list.

Patricia Kendall. Mrs. Kendall's name will be dropped to the bottom of the list.

The committee calls Don Munro. Don Munro. Mr. Munro's name will be dropped to the bottom of the list.

The committee calls Raymond Vance. Raymond Vance. Mr. Vance's name will be dropped to the bottom of the list.

The committee calls Richard Graydon. Richard Graydon. Mr. Graydon's name will be dropped to the bottom of the list.

Peggy Heinrichs. Peggy Heinrichs. Ms. Heinrichs' name will be dropped to the bottom of the list.

Ina Nicholson. Ina Nicholson. Ms. Nicholson's name will be dropped to the bottom of the list.

Michelle Angst. Michelle Angst. Ms. Angst's name will be dropped to the bottom of the list.

Swaran Singh. Swaran Singh. Swaran Singh's name will be dropped to the bottom of the list.

Jeff Morris. Jeff Morris. Mr. Morris's name will be dropped to the bottom of the list.

Jackie Wardell. Hello, Ms. Wardell. Ms. Wardell, would it be possible for you to bring that mike down just a little. Thank you. You can proceed whenever you're ready.

Ms. Jackie Wardell (Private Citizen): Ms. Chairperson, Minister Bjornson and members of the committee, I'd like to thank you for the hours and hours which you have patiently sat here and for the opportunity to speak to you today.

When I registered I had a rough idea of what I would say, but I confess that after Monday night's session it seemed that there was little I could add to these proceedings. There is no doubt that my grasp with history and the facts that led up to this point have both been represented and discounted by those speakers who have gone before. It would have been easy to decide that my work here had been done by others and to walk away. Easy except for one thing.

As I write this I am aware of only one other presenter who like myself is an active teacher, neither elected to nor actively involved in the work of MTS, and Swaran was not here this afternoon.

My name is Jackie Wardell and I speak in support of Bill 45. Although I graduated from university 22 years ago, I have only been working full time for the past five years as I opted to stay home for 10 years when my own children were young. At the time I made that choice I was confident that when I retired I would have my husband's full pension as well as my own depleted one to support me. Life, or perhaps my husband, had other plans and I now find myself the sole income earner to my household with less than 10 years credited service to my name. I'm on the freedom 75 plan. Add to that I have three teen-aged children and my son has been diagnosed with a chronic, although not terminal, illness. He is not responding to treatment and every day I am faced with the reality that he may never become an independent adult.

*(15:20)

I haven't shared these things to garner your pity. I am not unique. Countless numbers of active teachers could tell you their own version of my story. But I have sat here and listened to several presenters suggest that the active teachers who voted to support Bill 45 did so because we don't know what it is to suffer from decreased income and shattered expectations about our financial future, that we're young and naive and have no thought yet of the retirement years ahead, that we've been browbeaten and manipulated by MTS, and our opinions are therefore not as valuable as those of our retired colleagues. This description does not apply to all of us.

As I mentioned at the start, there is nothing I can add to the facts of the case at hand. Indeed, after these many hours of listening to my fellow presenters, I find myself less than clear on exactly what those facts may be. Almost the only point that has been made and not contradicted here is that the

teachers' plan is underfunded and every teacher who has spoken, active and retired, has asked that the government enact a reasonable and equitable solution to the problem. The issue of course is that reasonable and equitable are subjective terms.

What I would like to do at this point is to offer my observations on some of the comments and themes that have emerged. When people have spoken to what led to this, the point has been made that the retired teachers paid into their plan expecting to receive a full COLA and that they now wish to be given their due. It has been suggested that they somehow own half of the money in the fund and are being cheated out of what is theirs. These beliefs are widely held and it is easy to understand why retired teachers feel as they do but that does not change the fact that while they did indeed make payments into a pension plan, that plan was not a viable one.

The solution to this lack of viability cannot simply be to challenge today's teachers to put into the pension fund the money necessary to adequately support all of our retired colleagues. This may have been possible in the past, but the ratio of retired to active teachers has changed so drastically, it is no longer feasible.

Similarly, the solution cannot be to draw funds from account A to cover COLA costs. The money in the fund does not belong to the retired teachers or, for that matter, the active ones. It is money that we have paid to buy into an investment, namely, a pension that has a defined benefit and a muddled hint of promised COLAs. In order for the pension plan to be able to continue to pay the guaranteed basics to current and future retirees, we must ensure that the necessary funds are maintained in account A for that purpose. Additional funds must be found and they will come from government, active teachers and investments but it will take time for these contributions to address a need as great as this and we need to start addressing it now.

Many speaking against the bill have stated that the level of involvement granted to RTAM is not sufficient given their numbers and the fact that the decisions being made directly impact on their lives, but we're talking about a pension. There are only two parties who are making contributions to that fund and therefore, should be charged with making the decisions that govern that fund: active teachers, as represented by MTS, and the government. It is absolutely true that the decisions made will impact

on retired teachers and that those making the decisions must be kept informed of the consequences and that RTAM speaks for some of those retired teachers. It is therefore essential that RTAM have a voice at the table but the decision-making power ultimately needs to lie with the contributing parties. Imagine what could happen once RTAM's retired teachers outnumber active teachers. Should that give them the power to control the decisions made for the pension fund?

There is also great frustration with the recent plebiscite. A 44 percent return rate may seem abysmal and probably is, but I offer the context that the average percentage of ballots cast in Canadian civil elections in 2000 was 34.6 percent, while the federal elections of 2006 only saw a 64.7 rate participation.

There is no doubt that the plebiscite was rushed. But in the time available, MTS managed to provide me with their interpretations of the facts, as well as making it clear that RTAM had a different perspective and that it was imperative that I get informed quickly and cast my vote. I had no sense they thought it was a shoo-in and I had no sense that there was no other information that I needed to look up.

I was a school rep at the Winnipeg School Division meeting where both RTAM and MTS were asked to present and we were given the task of carrying all the information back to our schools. Some of those who wished to vote couldn't, others chose not to. An abstention not being denied but choosing not to vote, is quite simply a vote for the majority decision and the majority said yes.

Perhaps it is true that more active teachers participated in the plebiscite. But that imbalance has been more than redressed in this process where retired teachers have far outnumbered active ones. I would speculate that several active teachers might feel that they had made their point in the plebiscite and did not find it necessary to interrupt that much-needed summer break in order to make it again here. I contend that the plebiscite and these hearings have provided the committee with a wealth of opinion and information and that the time has now come for the government to proceed.

The ultimate question remains: Where do we go from here?

Mr. Chairperson in the Chair

We've heard and seen the rift between RTAM and MTS. People have talked of promises broken, betrayal and disillusionment. There's been finger pointing and acrimony enough to make one fear for the future. So how do we proceed? Together.

To the members and leaders of RTAM, I suggest that you consider the possibility that the people who work and volunteer at MTS are working in good faith in their context to fulfil the trust they have been given by the active teachers of Manitoba. Pat Isaak and the provincial executive and all the MTS staff and volunteers, some of whom I've had the pleasure to meet since Monday night, have not resolved to make their mark in history by sticking it to those that have led before them. Pass on the reins of power that you once held at MTS with grace, and remember that when you stood in their shoes, the people who had passed on the mantle to you did not always concur with what you saw to be the wise choice.

You have amongst you a wealth of knowledge and experience that is invaluable. Think of those who have been your elders. Which ones were you able to listen to? Those that berated and criticized you, put you down, failed to offer you respect and empowerment? Or those who generously offered their wisdom in the hope that it would make your job easier and support you as you struggle to make your choices? Which kind of elder will you be as we move forward from this point?

To the members and leaders of MTS, I think that you need to find the self-discipline to look beyond the personal attacks and ill will and acknowledge that some of what has been said here offers wisdom and experience that is worth listening to. I hope that you see the passion that has been evident as an affirmation that the work you do is important, that it has a direct impact on people's lives, and that you hold the trust you've been given gently. You have chosen to dedicate your time, energy and, in some cases, your careers to making a difference in the education we offer to Manitobans. It's a huge responsibility which will best be met if you seek out all of those who have something valuable to contribute.

To the elected representatives, please don't renege on your responsibility at this point. We all know this is politics, that we have a majority government. That means the government has the power to push through as much of their own agenda

as they can. Use that power wisely. The opposition is left with little choice but to attempt to disgrace the government and make the voters of Manitoba reconsider how they should vote. Don't get so caught up in the need to find fault that you fail to notice when there is good in what the government is proposing.

You all have a very real stake in finding resolution to these problems that have grown over the years even as your roles were reversed. You've been in negotiations for years. You've heard from hundreds of people. Dialogue has happened and there is no unanimous suggestion coming forward. Asking us to go back and keep talking ignores the fact that the pension crisis is real now. The task is yours. When you reconvene, Bill 45 will be tabled. If, after all you've heard here, you are able to amend the bill in such a way as to address what is still unresolved, then do it. And that doesn't just have to come from the government's side, I don't think.

Add a minimum to the COLA allowance. Put in place a means to address the concerns about when, how or if the government payments are being made or the ongoing viability of the PAA. Find the money necessary to make it possible to meet the growing needs of the retired teachers who were your faithful employees. Look the bill over. Consider how it may be improved. Then work together to make sure it is passed. If you do, you will be able to honestly say that you've done something towards making a viable pension plan for all of Manitoba's teachers, past, present and future.

Thank you for your time.

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

Questions?

Mr. Cullen: Thank you very much, Ms. Wardell, for your presentation, and thank you for your hours and hours that you've spent here over this past week and certainly your commitment to teaching here in Manitoba.

I think you're right. I think we have to reach a reasonable and equitable COLA is what we're all trying to accomplish here at the end of the day. I guess I'll be one of the first to admit that I have a bit of an understanding of what the teaching profession's all about. I am married to a teacher, so I, too, have a stake in getting this pension resolved, maybe not right away, but hopefully down the road.

So, I just wanted to thank you for your time, and again, thank you for your presentation and your opinion on this matter.

* (15:30)

Mr. Lamoureux: I do appreciate the presentation very much, as I appreciate all the presentations that are made. Quite often, when a person makes a presentation, there is always somewhat of a reaction. Whether you're for or you're against the bill, there's always a reaction that might be in the crowd. Most often, when someone does make a presentation, some people might want to react to something that you actually say. This is one of those occasions I do want to react to one comment that you made.

When you assign a value to a vote, Manitoba's 57 provincial constituencies, some of those constituencies have a much higher percentage of seniors in them. Some of those constituencies might have a much larger contribution toward Manitoba's tax base. All constituencies are of equal nature, and all votes are of equal value. I wouldn't want us to do anything to take away or provide incentive for additional division that would say that one vote is worth more than another. If I misinterpreted that, my apologies, but I just thought it was kind of an important point to bring up.

Ms. Wardell: I have no idea what you are referring to, as far as me suggesting some votes are more important than others. Could you clarify, please?

Mr. Lamoureux: In your comments, you made reference to current teachers and the value of their vote. I don't know verbatim exactly how it is that you put it, and that's why I say, just in case I misinterpreted it, I would apologize for it, but I would have thought that each vote would have had the same value in terms of their ability to be able to cast their vote. In other words, that it's no real conflict for either side. Each one has equal opportunity. Would you agree to that, I guess?

Ms. Wardell: Absolutely, everybody's vote should be of equal value. I think the only place I used the word "value" was when I implied the value of our opinions has been questioned, because I've felt that, frequently, it has seemed to me that people have been suggesting that we're not informed enough as active teachers, as young teachers, to truly understand.

I'm not pretending I understand what it is to be retired, and I know that I have time to make a

difference in my financial future that others don't. I'm not suggesting that at all, but I just felt that the suggestion has been made that we just don't get it, and our decision to vote "yes" for Bill 45 was an uninformed decision. I just wanted to argue that it's not because we've been told what to think by MTS. It's not because we don't understand what pension is and what it will mean at our stage of life. We have thought it through and come to a decision that other people may not agree with, but it's still a thought-filled decision. That's the only place I can think of that you were referring to.

Mr. Chairperson: Thank you very much for your time with us.

The committee now calls No. 103, Tracy Fyfe.

Please introduce yourself.

Floor Comment: Thank you, Mr. Chair.

I actually have, I think, four that are kind of coming up on the list. So, if you will permit me, I'll just submit all of these written ones, and, as the names come up, maybe they could be checked off, rather than me getting up and down, if that's okay.

Mr. Chairperson: That's fine.

Please, just, for the record, state your name.

Ms. Pat Isaak (Private Citizen): I'm sorry: Pat Isaak.

Mr. Chairperson: Quite all right. Thank you.

With the committee's permission, these will be accepted as written submissions for inclusion in *Hansard*: The four names involved are Tracy Fyfe, Matt Turner, Kelly Turner, and Barb Cummine. We also have a written submission from Peter Isaak, who is, on the list?—no, just an additional submission. Is it the will of the committee to accept all of these as the written record? *[Agreed]* Thank you very much.

That then takes us to No. 106, Orest Fedak. Is Orest Fedak here? Seeing no one, they are dropped to the bottom of the list.

Barbara Cummine, we've just heard from.

Number 108, Elizabeth Morrison. Elizabeth Morrison is subsequently dropped to the bottom of the list.

Number 109, Ivan Pokus. Good afternoon, sir. Do you have copies of your presentation for the committee?

Mr. Ivan Pokus (Private Citizen): No. I prepared my written presentation, and I'm not going to hand it in because, as I've been sitting here for these three years, almost everything I wrote here was already said over and over by other people. There is no point to repeat things, and what is different here is my own personal case. I can summarize that in one sentence.

In my particular case, just to compare my retirement teacher's pension between 2002 and 2007, that is a period of five years, in those five years, my TRAF pension increased by \$1,004, and my Pharmacare deductible increased by \$835, which goes basically to the provincial coffers, which means, to me, that the net increase is actually \$170 after these five years. Then the Public Utilities Board approved the natural gas increases, which, in my case, cost \$350, so what the government decided and approved—even though it has no control over the increased prices otherwise, it has control over these two and they actually decreased my pension. That's what is different here from the other things.

But I would like to say a few other things which I did not initially intend to say. First of all, we all need COLA, the retired teachers and the active teachers. To illustrate this, let me give you these two examples. I started teaching in 1972 at the age of 38. I entered a little bit later the teaching profession than most. Shortly after that time, I was working on local executive and a question came to a vote. There were two lady teachers living in Manitoba. These ladies never contributed a penny to the Manitoba teachers' retirement fund. They came from Saskatchewan, and they were members of what was believed was the first-ever Canadian teachers' retirement fund in Saskatchewan.

These ladies never got married. They were living together. They were actually quite old, and their pension plan which did not have COLA included at that time was, and I don't remember the exact number, it was slightly under \$100 a month. That was the amount of money they were supposed to live on, and we usually are talking about how much my value of pension decreased over the years of retirement. The number would be like 90 percent, 91, 87 percent. But what happens to those people who are living longer?

The other example is when I started teaching, my annual salary was \$11,000, 1972, \$11,000 a year. For some teachers, that was their last year of teaching, and they then retired. They received a pension of something like \$7,000 a year, maybe a

little bit less. Most of them are dead, but those who are still living are receiving monthly pension of about something like \$700. Because of no COLA, this is their purchasing power—they are receiving \$700 or something around that.

Is that enough to survive? Yes, well, we learn that man can live on a bowl of rice per day, and in that sense, they could survive, but what kind of living is this that can be offered by \$800 a month at today's prices is really difficult to imagine.

*(15:40)

So, if we are thinking in our lifetime in short span, a few years, then it doesn't appear to be so important that we have a full COLA clause. Why don't we have it? There are lots of people, organizations, decisions that contributed to this fact, but there are certain things that were said about the current active teachers. I'm a little bit irritated by some statements they made, but in one sense I definitely understand their position. If I would be 50 years old, an active teacher, and I would be watching on television those commercials of 55 security or whatever, the promotion of some investment funds; stop working at 55 and enjoy your life.

I would be watching and they see teachers who are just five years older—I'm talking as an example of 50 years old—teachers 55 years old who are getting ready to retire. There is a fear that the fund will not even have enough money to cover the basic pension, never mention the COLA. Then I would be nervous and I would be trying to do everything possible to prevent that from happening. They obviously fear that there will be no money in the fund.

Now who made these decisions? I don't really know. I am not really all that smart a person to figure everything out but, to me, it's obvious that somebody was making their own decisions, when teachers at age 55 were not only allowed but encouraged to retire. At the present time, almost everybody is retiring at the age of 55.

Now the plan was originally projected for people who retire at the age of 65 and usually start teaching earlier because, after grade 12, a lot of people went to teaching. So there is a huge group of people, thousands of people, who were moved from contributors to beneficiaries. The basis of this decision was made by I don't know whom but, ultimately, the government is the one who passed the law. Therefore, government is responsible for—and I don't mean the government of today—I mean the

governments that were in power and making decisions on behalf of teachers and their pension plans over the years.

Well, if you are looking for solutions, I cannot offer all solutions, but suppose the decision is made and the law is changed, and teachers are not allowed to opt for early retirement at the age 55, but teach till 65 or, if they leave the profession sooner, they can do that, but their pension is frozen and becomes payable at the age 65.

The financial standing of the plan would increase substantially. The fears of the people who are now 50 years old and listening to all those things, also listening to the phrase which you must have heard—when we get there, the pot will be empty. Therefore, there is a fear and they are doing everything that they think is possible for them to achieve this.

At the end, we create chaos and we create problems for lots of people. We are creating poverty among retired teachers as they are getting older. People, actually, when they are becoming poorer, they get a little bit more militarized; the meetings, the protests on the steps of the Legislature can turn even into something worse when lots of old people will reach poverty.

At the present time, people are not really used to bearing their cross of burden at home. There are communications between people; people are more educated. Don't be surprised if there will be other much-worse steps taken by people who are simply desperate, because of promises they were given, were not kept for reasons which we are trying to analyze for three days.

Thank you for your attention. If anybody has a question?

Mr. Chairperson: Questions for our presenter?

Mr. Schuler: First of all, Mr. Pokus, thank you so much for bearing with us through a very arduous and difficult process. I appreciate the fact that you put your notes aside and talked a little bit about your personal case. I think it's very important for us to hear, as a committee, that this not just be dollars and cents, but this actually has a human face to it, that we're actually talking about real human beings. I appreciate very much that you shared with us your personal experience.

You've sat through a lot; you've heard a lot; you have a lot of experiences. Where do you think we

should be going from here? Just reflect on that for us, if you would, and again thank you for coming out to committee.

Mr. Pokus: One thing—Like, I am not very well educated about the procedure of Legislature, but I heard the word "delaying the decision for six months and having consultation." That, at first, looked obvious to me as a solution because I think that certain time is needed to go over this once more. Retired teachers were not full participants and it's not just in this particular case. They were fighting for having representatives sitting on TRAF and only very recently one member is sitting on the TRAF. As the lady speaking before me said, they are the ones who are contributors and therefore they are the ones who are entitled to represent. To what I would say, ha ha ha. They are the only contributors.

Mr. Lamoureux: Unfunded liability: big issue in terms of the government and neglect. You raised the other issue, and it was talked about earlier in terms of the—I think it was the late '70s to early '80s where early retirement was brought in. Was the consequence of that really given any consideration? There've been warnings for many years. In those three examples one could say the government did not live up to its responsibility. Do you believe ultimately that the taxpayer should then have to pay if necessary in order to compensate for those government mistakes of the past?

Mr. Pokus: Lots of these things were actually done to please taxpayers. Look, when early retirement was introduced nobody objected. Why? School divisions were glad that they will get rid of the oldest teachers and replace them by lower paid teachers and they say, good. The pension plan said, look those people are retiring and their pension is smaller than it would be 10 years from now. Good; we are paying less money. And what happens 20, 30, 40 years later, who cares? That was the attitude that brought us where we are.

Mr. Chairperson: Thank you very much for your time with us, Mr. Pokus.

The committee now calls No. 110 on our list, John Petrinka. I gather he's here.

Mr. John Petrinka (Private Citizen): Should I bring in my keeper? I've been put on the terrorist list. I can't access this building anymore like I used to for the last 15 years. I have a security person standing out here to make sure that I don't leave the room.

Would you like him to come in to make sure that I'm in good standing? *[interjection]* You're okay? Okay.

Mr. Chairperson: Mr. Petrinka, your 10 minutes has now begun.

Mr. Petrinka: Thank you. I have a book with me here today that says that I should be in support of what these retired people are doing notwithstanding the fact that they're teachers, okay?

I'm a realtor. I'm a broker. I'm a commercial realtor, have been for 30 years. I'm also a lobbyist, which is almost but not quite as extreme as a terrorist, okay? I have been working on behalf of other veterans in another ministry, the IGA, which I object to very vehemently from being restricted to attend this building when I missed Bill 36 for the removal of taxes on leasehold properties.

I have another one going under at the end of this month and that's what I'm here to announce in addition to the fact that our seniors were part of and subject of a national survey back in 2001. It says here: a review and determination of housing issues for veterans and seniors. There's no differentiation. In fact, I was talking to a lady back there, a former university professor, and I suggested to her that maybe I could get away with this. I'm not sure, Mr. Chairman, but if I turn myself to the back room here and asked, how many people are a member of a veterans' club, a cultural club, a sports club? Put your hands up, please. You see that? There's no boundaries between seniors and between non-profit clubs.

* (15:50)

What this COLA represents is a very infinitesimal amount of lifestyle adjustment. What we have here, though, is that we have a situation where a deal is a deal is a deal. This is the one thing that we have found in real estate to be of prime importance if you want to continue to have a name of any impact in the industry, okay?

I've been at this now for longer than most people that you have in this room, 21 years, since 1987 when I was on the board of revision for four years and then 1992 as a fee-for-service operator, whatever you want to call him. I can tell you unequivocally that there is a certain element that goes with being a senior. There is a certain drop-off in attention span when you're talking to people. I used to get phone calls from people like Bernie Wolfe. He'd call up and ask for information once in a while. What do you

think, John? Or my friend that died here some time ago; he was my lawyer at the time, Graeme Haig. Or the person who I was in business with, Norm Turner; he was the president of the Liberal Party while I had Graeme Haig, the president of the Conservative Party. Now how is that for a balancing act, okay? Regardless, we also had a lawyer by the name of Vic Schroeder who is currently the chairman of your Manitoba Hydro who wrote a glowing letter in response to a report that I put into EPC back in 1999. He claimed that everything in that report was accurate. Has anybody from this government ever talked to these people? Okay? What are you afraid of? The truth?

I guess this is really what all this comes down to. This is why I'm here today. I'm passionate about this. I have a right to be. I've been at it for 21 years. At the rate we're going, we should finish by the year 2035, okay? We have a complete precedent here with Dauphin. Dauphin is a complete exemption. It's a mandatory exemption like Saskatchewan, Alberta, and Nova Scotia. This is the speech I wanted to give to the Bill 36 committee standing whenever it was in June that I missed because I'm a terrorist, not allowed into the building. Anyhow, what I'm getting at is that we have a situation here right now that the people here in back of me are asking you for a very simple acclimated decision that would provide them—hey, we're talking \$14 to \$30 a month. I'm sure there ain't going to be too many people going to Hawaii on that increase.

So, I've done two things here today. One, I broached the subject of senility, okay? Like I said to my friend the other day, I'm over the hill, but I haven't hit the bottom yet. I'm asking you to listen to the people that have come before you, have prostrated themselves before you. I take exception to that. I take exception that these people had to come here to beg for this. For \$15 a month? My God, grow up.

Anyhow, having said all that, I'm open to some incisive questions.

Mr. Chairperson: Thank you for your presentation.

Mr. Schuler: Well, Mr. Petrinka, I've been here for nine years and you have certainly advocated with great passion on behalf of veterans. Some of the things I guess you kind of assumed we knew, but basically, what you announced in the beginning is there's going to be another legion, I take it, that's going to be closing so that for the rest of us who may

not know your passion—and you've been very passionate—I don't understand—

Mr. Petrinka: Mr. Minister, I just have a question here. Could there be a legislative seminar to bring all of these people who are uninformed up to speed? You bring your bureaucrats and let me into the same room with them.

I just got another letter today from the Minister Ashton which is a complete bogus reply to two simple questions: Is Bill 36 from 1995 still active or not? He says, yes, it is.

Well, if it is active, then the bill in 1998 that established the leasehold title exemption is compromised. There were several letters after that—in fact, you were part of one of them, Kevin, and you can attest to that—that have been compromised. The bills in 2004 have been compromised, okay? This bill that just recently passed is compromised, because Bill 36 from 1995, which was done by Mr. Len Derkach, very nice guy, and it suggested that there be a level playing field amongst all licensed, non-profit, private-member clubs. That does not exist today. Absolutely not.

Saskatchewan, Alberta, Nova Scotia says if you've got an exemption, you've got an exemption for everything. We're not going to quibble. We're not going to negotiate with you. If you got the exemption you got it. We're asking for the same thing, and we're asking for it now, not in 2035. A legislative seminar would clean this whole mess up, because you people are totally unaware of what you're dealing with. Now, there's a duty of care that the courts have just established, okay, that says that you have an obligation to deal with the legislation that you are, not only have in effect, but are enacting, to look downstream.

Anyhow, I really appreciate you stopping to hear that, Mr. Minister.

Sorry, Mr. Chairman. We'll go back to regular programming.

See this is where I get my terrorist label from. You see what I mean? Just totally out of the box.

Mr. Chairperson: Are there any further questions for our presenter?

Mr. Lamoureux: I know we're almost out of time, but I did want to add, some of the feedback that we get from the members—or some of the presenters is that they're hoping that they leave some sort of a

lasting impression, hoping that maybe the government side might be listening, or even opposition, and so forth.

More on a personal note to you, Mr. Petrinka, because, over the years it is because of your efforts that, whether it's myself or my leader, is very much aware of what's happening in our legions. I just wanted to applaud your persistence in the issue in trying to make all MLAs more aware of how important our legions are to the province of Manitoba. I appreciate your efforts.

Floor Comment: It's all good—

Mr. Chairperson: Mr. Petrinka.

Mr. Petrinka: Yes, sir.

Mr. Chairperson: Just acknowledging you so that you can reply to the question.

Mr. Petrinka: Oh, yeah, well, I was just going to say that, Mr. Chairman, that's true of all veteran clubs, okay. It's true of all non-profit, private-member clubs, whether they're licensed or not. Because the thing that bothers me more than anything is that this letter that I got today I would like to get copies and leave with you, because I've marked it up. I've filled it in. There isn't one piece of 100 percent truth in the whole damn thing.

But there's always this "look at this hand while I've got my other hand in your pocket" kind of thing, okay. It's the old magician deflect and deceive kind of thing.

The point that I'm getting at here, though, Mr. Chairman, is that we have a situation right now with these people back here that really, really begs for a honest answer. Whether there is a lasting impression made by these people, if there isn't a lasting impression then you people are not doing your jobs.

Mr. Chairperson: Thank you for your time with us this afternoon.

Mr. Petrinka: I'm available for afternoon entertainment, if you're up to it. Bye for now.

Committee Substitution

Mr. Chairperson: Just before calling the next name, I have a substitution. I'd like to make the following membership substitution, effective immediately, for the Standing Committee on Social and Economic Development meeting on July 24, 2008, for the NDP caucus: Minister Chomiak for Ms. Blady. So Chomiak for Blady. Thank you.

* * *

Mr. Chairperson: The next name on our list is No. 113, Bob Preston. I see you have copies with you. Thank you very much, sir, for that. You may begin whenever you're ready.

Mr. Bob Preston (Private Citizen): Thank you, Mr. Chairman, and the honoured members. I think we really appreciate being able to come and make presentations in front of you people. So thank you so much.

* (16:00)

I, too, am a retired teacher. I retired in '98. I have 30 years of experience, and I've taught grade 4 up to grade 12 and every grade in between. I've taught with CUSO in Barbados, which was kind of nice. A little after retiring, I started doing some night school teaching of math at the Collegiate of the University of Winnipeg. I've also, for nine years, been at the Faculty of Education at the University of Winnipeg.

I've been here most days. I wasn't here Tuesday, and I would like to spend just a moment talking about the characteristics of the people who are in front of you. Teachers, by and large, are very gentle people. Teachers are, by and large, very quiet. Teachers don't complain. They're hardworking. I would like to think of them as intelligent. I know a lot of them, and I think they are intelligent. I think they're well informed. I think they're co-operative and compassionate.

I think they're hardworking. When I retired, my wife was ecstatic that we actually could go out sometime during the week in the evening because most of my evenings were tied up with marking and preparing. Actually, from Sunday night on, that was the end of my weekend after supper.

I would suggest to you that the fracture we see between MTS and RTAM is unusual. I would suggest this is not characteristic of teachers by and large, so somehow something has fallen between the cracks. I would suggest that teachers excel in dispute mechanisms. I mean, which teacher doesn't spend part of their day solving problems between students? I would say that the critical difficulty that we're looking at is underfunding in the educational system, not just with the teachers. I'm talking about the retirement fund, but I would talk about underfunding of teachers' wages and really throughout the whole system. I would suggest that it's very much like having a few dogs around and having a tiny bone and

we have some people arguing over that particular kind of thing. I would say that's the essence of the problem that we have here.

I'd just like to spend a moment taking a look at some historical perspectives. In 1925, the pension plan really began. The difficulty is—we all know it's been mentioned—that the government never actually put money in to fund it. They just put money in to pull the—well, on the payment. That really got it off on the wrong foot. We all know the power of compounding interest, and so I went into one of the math curriculums, one of the grade 12 math curriculums. I pulled out a very simple kind of question. Is everyone paying attention? Good. Thank you.

Okay, here's the problem. Let's assume, on the 1st of January, you invest \$2,000 and you do that every January for 10 years. You invest that. You invest it at 5.4 percent. At the end of 10 years, you've invested \$20,000. Let's let that run, the investment. You're putting nothing in now. Let's let that run for 40 years and you actually run a profit of \$117,929, but that's only actually compounded every year, and we know that most investments are compounded much more often than that, at least every month. So we would have in excess of that, considerably a larger amount in excess of that. That really is a profit of six times, six times, over 40 years. Actually, our fund was never allowed that profit, and I would suggest to you that one of the critical factors of the underfunding is that.

Historically, in 1977, approximately, the fund was given—the retirees were given the right of full COLA and everyone appreciates that. We want to thank you very much. The difficulty was there was no adjustment made, and we all know that if you pay out more and you don't put more in, you have a snag.

In the 1980s, actually, full COLA was really starting to be paid, and many people behind me, in fact, have received that. That's very much appreciated, but that, in fact, wounded the amount again.

I'm sorry, in the 1980s—I'm sorry—the retirement age was dropped from 65 to 55 and that, too, was quite a drain on the plan and we appreciate that. I personally gained from that, but in fact, that makes it difficult on the plan. In the '90s—I made a mistake there—in the '90s, 100 percent COLAs, or close to that, was being paid out and that too was a drain on the plan. It's appreciated, but we need to put some kind of more in there.

By the time the 2000s have come along, we now have people living much, much longer and again, we very much appreciate that. Medicare has helped all of us. It's helped you people and it certainly has helped the people behind me. That, too, is an added drain on the plan and we need to come to grips with that.

I'd like to take a look at the idea that the plan really is limping along on one leg. If we take a look at a few other plans—I made a couple of phone calls to superannuation act. It covers provincial civil servants and Crown corporations. It pays out two-thirds of the consumer price index, if the fund is able to. So it pays out two-thirds if the fund is able to but the reality is, since 1997, it's paid out two-thirds of PLI every year. I guess the question I need to ask the people here is, why is their fund seeming to do quite well and ours isn't? Ours can't even make two-thirds. It would be nice if we could make 100, but we can't even make two-thirds.

I'd like to take a look at the Manitoba Telephone System. You can turn that page over. Actually, there's something on the back of it. Manitoba Telephone Systems is important to the government. Really important to the government because it used to be under the superannuation act but now it's a private company. It has a guaranteed COLA. The MTS plan, that is the telephone plan, has a guaranteed COLA of two-thirds CPI. It will pay that to a maximum increase of 4 percent on CPI. So the 4 percent is not on the two-thirds, it's 4 percent on the CPI. The plan is evaluated every year and adjustments are made every year. That's what we need. We need to see where the plan is going and adjustments need to be made every year.

I think everyone here in this room would all agree that our plan is sick. If we look through the smoke and mirrors, the real cause is underfunding.

Mr. Chairperson: One minute remaining.

Mr. Preston: Okay. So, I would suggest that it's underfunded. If we take a look at an example, if we had an old house, maybe not that old a house, a house with a 30-year-old roof. It's starting to leak quite a bit. It's no good buying two or three shingles, going up there and putting them on. We need more than that. That's, I think, what were getting, just a few shingles.

I looked at the *Concise Oxford Dictionary of Politics* and I'd like to read out just a couple of paragraphs here on Greek political thought. The most

significant of all in determining the themes of Greek political theory, was the nature of the polis itself. Indeed, Aristotle's claim that man is a political animal, meaning that man is the kind of animal which normally and naturally lives in a polis, suggests that political theory can only operate within such a context. The most salient feature of the polis is that it is perceived as an association of people bonded together by a shared way of life and shared morality. The whole was more important than any of its parts and it remained a whole owing to the cohesive influence of its educational system. The purpose of which was to educate the young—

Mr. Chairperson: Order. We're actually a bit past the 10-minute mark. With leave of the committee, in lieu of question time? [*Agreed*] Thank you for that. You may continue, sir.

* (16:10)

Mr. Preston: I'll just back up one sentence. The whole was more important than any of its parts, and it remained a whole, owing to the cohesive influence of its educational system, the purpose of which was to educate the young to be good citizens in sharing the state's moral code.

I would suggest to you that the people who stand behind me have done a good job in that. That has been their lifelong ambition. I would suggest, if we take a look at our society, they have done their part.

There's a problem. I don't think we should call each other names; that does no good at all. I would think that the things which have happened have probably all been done in a positive kind of way or, at least, with a positive intent. I think that Bill 45 is a positive thing; I think the intent was very good, but there is a difficulty here.

The difficulty is the voice of the retirees was muffled during the process of Bill 45. Not only that, Bill 45 contains a few hurtful clauses from the past. Most people here feel stung by just a few words in that clause. I think there's a solution.

I've been listening carefully for the last few days. MTS has increased their contribution in '05 by 1.1 percent and is willing to contribute another 1 percent in '09, if the government contributes too. If you listen to the RTAM people, I think that they would reduce their demands, but they need to be heard. They actually need to be a part of the process.

I think the government has tried to do things too, but we have to be careful. At times, it seems it's just nibbling around the edge. I would suggest RTAM needs a voice at the table.

I would suggest to the government that there's a major problem on the horizon. The major problem on the horizon is this: Manitoba Telephone System's pension plan was privatized. Those employees are terribly unhappy; they're guaranteed a two-thirds CPI, but are demanding 100 percent. They claim their pension should be paying 100 percent and it can't, because it was underfunded.

They're taking it to court. They've been nibbling away at that for quite awhile now. It's going to court this November. That's going to have major ramifications, I would suggest, for this government. I would suggest that what we need to do is have a more positive approach to head court battles off there.

So I would suggest the measure of good government is to find effective solutions to chronic problems. I would suggest that our government has been trying to find some effective solutions, but I think they're not quite effective enough. I would define this as a chronic problem.

I really hope that you people are up to the measure. Thank you very much.

Mr. Chairperson: Thank you, sir.

A very brief question, Mr. Schuler, and an equally brief answer, if possible.

Mr. Schuler: Mr. Preston, I'll just say thank you very much for being so patient and for waiting so long. We appreciate your comments and everything that you've presented to committee today. On behalf of the committee, thank you for being here.

Mr. Preston: Thank you, sir.

Mr. Chairperson: The committee now calls No. 114, Barbara Kelly. Is Barbara Kelly here? No. Seeing no one, her name is dropped to the bottom of the list.

Number 115, Joan Whyte. Joan Whyte is also dropped to the bottom of the list.

Committee members and anyone else following along, we're going to leap ahead. There are some urban names a little farther along. If you would kindly skip to page 14, in the middle of the page, No. 158 has sent in a written submission, but we now

call No. 159, Barb Shawcross. Barb Shawcross is dropped to the bottom of the list.

Number 160, Barbara Christie. Barbara Christie also dropped to the bottom of the list.

Committee members, once again, flip ahead, this time to page 16, the last one in your booklet. The second-last name, No. 184, is our last urban presenter to have not been called yet. Oley Gulay. Is Oley Gulay present? The name is dropped to the bottom of the list.

The next name is a rural presenter who has not been called yet once, so we will call them for the first time, No. 185, Dick Marshall—[interjection] Oh, my bad, sorry. He was called. Thank you. Thanks Clerk, I got confused.

Okay, so now we're going to go to rural, to 116, yes, to rural presenters who have been called once.

Mr. Schuler: Was 183 called already once?

Mr. Chairperson: Number 183 sent in a written submission. Thank you. That's where I got mixed up; 183 was out-of-town, but then they've provided a written submission, 184 was dropped, and 185 has not been called a second time—[interjection] Number 183 was Wayne Watson, 184 was Oleh Gulay.

If there's a question, just come to the mike. It's okay.

Floor Comment: I'm 177 on that list, rural, called once.

Mr. Chairperson: Clarice Gilchrist?

Ms. Clarice Gilchrist (Private Citizen): Yes. Okay. I just didn't want to be missed.

Mr. Chairperson: Very good. So, yes, sorry for the confusion. It always happens at this stage, but we're making progress.

So we are now all on the same page, that is page 10, potential speaker No. 116.

Just before I begin this, we are now calling people's names for the second time. If they are not present, they are dropped from the list permanently.

So, 116, James Henderson. James Henderson is now deleted from the list.

Number 117, Ray Sitter. Ray Sitter is deleted from the list.

Number 119, Brian Gadsby. Brian Gadsby is deleted from the list.

Number 120, Diane Laurin. Diane Laurin is deleted from the list.

Number 121, Ronald Gray. Ronald Gray is deleted from the list.

Number 122, Jerry Dragan. Jerry Dragan is deleted from the list.

Number 123, Ed Sage. Ed Sage is deleted from the list.

Number 124, Jag Malik. Jag Malik is deleted from the list.

Number 125, Bev Ranson. Bev Ranson is deleted from the list.

Number 126, Evelyn Rheaume. Evelyn Rheaume is deleted from the list.

Number 127, Velma McAdam. Velma McAdam, deleted from the list.

Number 128, Vivianne Howard. Vivianne Howard is deleted from the list.

Number 129, Ruth Slezak. Ruth Slezak is deleted from the list.

Turning the page, 130, Mary-Ann Lepper. Mary-Ann Lepper is deleted from the list.

Number 131, Brian Bailey. Brian Bailey is deleted from the list.

Number 132, Patrick Angers. Patrick Angers is deleted from the list.

Number 133, Ron Kalinchuk. Ron Kalinchuk, deleted from the list.

Number 134, Dave Bennet. Dave Bennet is deleted from the list.

Number 136, Joan Rink. Joan Rink is deleted from the list.

Number 137, Denis Fontaine. Denis Fontaine is deleted from the list.

Number 138, Suzanne Adkins. Suzanne Adkins is deleted from the list.

Number 139, Bill Adkins. Bill Adkins is deleted from the list.

* (16:20)

Number 140, Jacqueline Mireault. Jacqueline Mireault is deleted from the list.

Number 141, Merle Gadsby. Merle Gadsby is deleted.

Number 142, Richard Goerzen. Richard Goerzen is deleted from the list.

Number 143, Cameron Baldwin. Cameron Baldwin is deleted from the list.

Number 144, Helen Goerzen. Helen Goerzen is deleted from the list.

Number 145, Sharon Richmond. Sharon Richmond is deleted from the list.

Number 146, Georgette Dragan. Georgette Dragan is deleted from the list.

Now skipping down to 150, Arnold Minish. Arnold Minish is deleted from the list.

Number 151, Albert Lepage. Albert Lepage is deleted from the list.

Number 152, Malcolm Ford. Malcolm Ford is deleted from the list.

Number 153, Michael Horvath. Michael Horvath is deleted from the list.

Number 154, Ken Miller—

Floor Comment: Bingo.

Mr. Chairperson: Hi, I only wish the pot got bigger with every name that I call.

Do you have written copies of your presentation for the committee?

Mr. Ken Miller (Private Citizen): I'm submitting this paper on the reasons why TRAF, or at least Bill 45, is unfair. You probably know all these. I just got one handout.

Mr. Chairperson: That's fine. Your 10 minutes has begun and you can—

Mr. Miller: I'll have the test tomorrow on this.

Mr. Chairperson: As you wish. Please proceed.

Mr. Miller: I'm going to not listen to my wife. I know you've very, very tired, gone through a lot, so I was going to start my speech by just saying the word "sex" so everybody just can pay attention. My name is Ken Miller and I'm a retired physical education teacher. Oh, by the way, hopefully, I phoned and I found out that MLAs, they take the five years of your inflation and then divide by five, so you get 100 percent COLA. Am I not correct on that? *[interjection]* Okay, I phoned somebody and I got that. So, if I say you get 100 percent COLA, please

forgive me, okay? I've got that in my speech, then. I'll try and eliminate that.

My name is Ken Miller and I'm a retired physical education teacher. What I'm going to focus on during my presentation has to do with my feelings and emotions in relation to Bill 45. I don't want your pity or sympathy; please just listen. I have to do this to release some of my frustration and anger. My wife has multiple sclerosis, and one of the reasons I retired at 55 was to spend some quality time with her before her health deteriorates. We live only on my pension plan, and if I don't get 100 percent COLA, I will probably have to go back to work sometime in the future. This, after working 30 years as a dedicated teacher. She's just had a bad attack, and we are presently dealing with the feelings and emotions associated with the disease. It really puts life's priorities and values into perspective.

So, in the grand scheme of things, this speech may not seem that important, but I wanted to convey my feelings in relation to Bill 45 to give me some sense of power and to release some of my anger. Multiple sclerosis is an unpredictable and incurable disease. The only power I have is to pray to God for her to get better and have faith that my prayers will be answered. Dealing with the disease in relation to my wife and my soulmate makes me feel powerless and angry at times. Bill 45 also makes me feel powerless and angry, and the only thing I can do is to express my feelings and opinions to this committee.

As a teacher, many times we feel we have no power. We have given up the power to strike, and in many situations our power is taken away from us. A commitment with a memorandum of agreement based on good faith that teachers would get 100 percent COLA when they retired was understood. In 30 years of teaching when I gave 60 percent more for 100 percent COLA than civil servants, I was never communicated with or approached by MTS about the urgency of not receiving 100 percent COLA. I place this blame solely on MTS for poor communication. We had better communication when we had to go for our raises and called meetings.

The government funds, or offers to fund, many projects: human rights museums, floodway expansion, new Blue Bomber stadium, but won't honour teachers by giving them what was promised to them. I don't believe that there isn't some way to correct the bad situation we are presently in. Contrary to popular belief, teachers don't survive

only on the intrinsic gratification and rewards that are associated with teaching. It doesn't put food on the table or justify our self-worth.

As active and retired teachers, it is our responsibility to take back our power and state that we have been treated unfairly. Otherwise, we give our power to those who intentionally or unintentionally walk over us. We give our power away when we become concerned with other people's opinions. I learned this by going to work injured and ended up missing one year of work by not taking care of myself. It taught me to be a strong person and to start taking care of myself.

We have a right to 100 percent COLA, and I can't control what this committee thinks. In fact, we as teachers can rarely influence politicians' views much at all. Why? In my opinion, it's because many teachers have the need to be people pleasers and don't voice their opinions. Personal power makes room in our lives for integrity and grace. Bill 45 makes me feel powerless, and in my opinion, this government lacks the integrity and grace to honour their previous commitments.

Anger is a feeling to be experienced, not judged. Like all our feelings, anger is a form of communication. It brings a message. I'm acting upon anger, once again, by expressing how insulted I am as a retired dedicated teacher to have this government give commitments they don't fulfil.

Thank you for being attentive to my presentation and the lack of power and anger in relation to Bill 45, both valid feelings when retired teachers are being treated like this. In closing, I congratulate all of the active and retired teachers who have attended these meetings and who are attempting to get back some of the power, grace, and integrity that we so richly deserve in our profession. Thank you.

Mr. Chairperson: Thank you for your presentation.

Any questions?

Mr. Schuler: First of all, Mr. Miller, thank you very much for coming to committee. I don't know how long you've been waiting to have this opportunity. This is our fourth day of sitting here, and on behalf of the committee, can I just say on a personal level, we wish you all the best, you and your wife. Our prayers are with you, and we hope that she recovers from this latest MS attack. Our thoughts are with you.

I will have to disagree with you right off the top with something that you said. You've said in the grand scheme, probably what I have to say is not important. It's a direct quote. Actually, in the grand scheme, what you have to say is very important and that's why somewhere—I don't even know which of these dead guys came up with the idea to do this committee. That's why we do it is because what you have to say is very important.

I have been here about nine years, and I've actually seen people make a big difference. I've seen governments back down. I don't know if the government will on this current piece of legislation. We will certainly be quoting back to them over and over and over again some of the things we have heard; hence, the stacks of reports and I've got the rest in my office. It's important what you say.

You know what? We are all human beings here, and yes, I will have to concede, even the NDP government members. What you have to say does impact us, and I know that they take this home as well. We appreciate the fact that you've spent a lot of time waiting for your opportunity. You've come forward even though you've got issues at home that you should be dealing with. Godspeed and thank you very much for your presentation.

Mr. Chairperson: Thank you, Mr. Miller.

The next name on our list is, again continuing with rural citizens whose names have been called once previously, No. 155, Spencer Reavie? Spencer Reavie is now deleted from the list.

Number 156, Edith Furdievich? Edith Furdievich is dropped from the list.

* (16:30)

Number 157, Fran Myles? Fran Myles is dropped from the list.

Skipping down to 162, Denise Girouard? Denise Girouard is deleted from the list.

Number 163, Albert Vermette. Albert Vermette is deleted from the list.

Patricia Dubé. Patricia Dubé is deleted from the list.

Jean Anderson. Jean Anderson, No. 165, is deleted from the list.

Number 166, Sherilyn Bambridge. Sherilyn Bambridge is deleted from the list.

Number 167, Doug Kinney. Doug Kinney is deleted from the list.

Number 168, Emile Peloquin. Emile Peloquin is deleted from the list.

Doreen Peloquin. Doreen Peloquin is deleted from the list.

Number 170, Anne McGregor. Anne McGregor is deleted from the list.

Number 171, the Reverend Jane Bramadat. Reverend Jane Bramadat is deleted from the list.

Number 172, Gwen Hogue. Gwen Hogue is deleted from the list.

Number 173, James Dewart. James Dewart is deleted from the list.

Number 174, Wayne Stinson; Stinson is the last name, Wayne. Wayne Stinson is now deleted from the list.

Number 175, Dawn McBain. Dawn McBain is deleted from the list.

Number 176, Lucille Gosselin. Lucille Gosselin is deleted from the list.

Number 177, Clarice Gilchrist. Do you have copies of your presentation?

Ms. Gilchrist: I do.

Mr. Chairperson: Ah, you do, great. Thank you. Ms. Gilchrist, you may begin whenever you like.

Ms. Gilchrist: Thank you, okay.

Greetings to the Chair, the Minister of Education (Mr. Bjornson), the committee members, and my fellow and sister teachers. I'd like to thank you for the opportunity to try to persuade you to reconsider passing Bill 45 and accepting the Sale report as it stands currently.

I am an active teacher and a rural teacher so I think I'm unique in today's group. I'm a retired teacher too. I'm an active teacher because I don't enjoy living on my retirement TRAF and minimal COLA. I cannot do the things I want to do and I'm not looking for extravagances. I'm sorry that the presentation is rather garbled. I have typed and written. I live out in Carman, got home late, maybe 1:30 last night, and started back in here at 2:00 this morning and I've been trying to sort of not dwell on stuff that's already been said.

I am supporting our RTAM board. It's a group of volunteers. We pay \$1.75 a month and these people have put in an incredible amount of time on our behalf, particularly this year, and were summoned very quickly to listen to the proposal of the Sale report and asked to make decisions on it in very short time turnaround. And when it was—they didn't really want to take it all. I think, my understanding is the minister is pretty angry and I do ask whose bill is it, and am wondering whether the NDP members here have been told to just sit and listen and not say anything.

Our very low fees and volunteer service is highly opposite to our very highly paid MTS staff, and I was part of the teaching force in the years that put such a strong professional association in place. I really do think that the leadership of both groups should have reconsidered when such a small group of volunteers were so adamant to refuse to sign off on this—what they were asked to do. I believe they made the correct decision.

I mentioned I'm an active teacher now, and I'm a person who likes to play by the rules and thinks we should have rules. Most schools run well, if rules are quite clear. I think Ms. McGifford mentioned rules last night.

My story is pretty ordinary, but it's pretty typical of a group of folks in rural Manitoba, who are suffering from decreased purchasing power and, especially for us, transportation. We have no quality of life, if we don't have a decent car and we can't put gas in it.

I started teaching in 1965, did the traditional thing for five years, got pregnant when I didn't expect it, was home for 16 years, doing all the community things and, quite frankly, even after my retirement. I'm sorry to say that Kerri Irvin-Ross isn't here, because she gave me a nomination for an award a year ago for service to seniors.

So I've been doing work on all ends, beginning the day-care centres, the nursery schools, church work, whatever there is to do. In the 16 years I was home, I was very involved in contributing to my community and still do, over and above my paid position.

I began to realize that I couldn't afford to keep this up. We had four kids coming up for university and my time was not my own because of my own inability to say no. So I decided I'd better get back to work.

In those late '80s, jobs were hard to get for middle-aged people with the reputation of wanting things fair and a feminist attitude. I re-educated myself through a small inheritance, because my parents had both died very young. I put a lot of money into that and robbed my time at 5 and 6 in the morning to do my studying.

I took a pre-Master's in counselling. It wasn't that I needed to do that; I was already a class 5 teacher. I started into the Master's program, unable to finish it because I was working in a rural area. I started teaching again in 1988 and have had a very successful career since then, moving around the province, in several school divisions at pretty much whichever job I wanted to apply for. I have served eight years as vice-principal in two communities and, in my 50s, I was not really going to be considered seriously as a principal.

That's one of the things which, I believe, Dr. Asper mentioned; promotions were not coming to people in our age group. I served as equality and education chair on those committees in all of the divisions I worked in. I was on the provincial resource team with MTS and president of locals in three divisions. I don't know how many more people could say that. So I worked hard at attending AGMs, paying attention and supporting my professional organization.

All along, I was hearing about COLA. Murray Smith warned us many years ago at presidents' councils about how bad we were sitting with regard to COLA. That was an NDP-leaning person, with his wife being a minister in the NDP Cabinet. It was as NDP as we could get, and we had hopes then that an NDP government would actually get going on fixing the COLA in the last while.

I just want to say that I've alluded to the needing a car in the rural area. I know when I had a little accident—not my fault—and needed to get a different car, I started thinking: How the heck am I going to pay for that on my retirement income?

If you have to cash in RRSPs, you've got to take out twice as much to get enough to buy a car. I think that loss of purchasing power is unique to the rural areas. We can't get on a bus; we can't just get a taxi to get downtown.

* (16:40)

I was renting because we had a marriage break up. I was renting. My rent would go up, what the rentalsman said each year, and my COLA didn't

cover that. So, after a few years of looking at that, well, I'm deciding, can I still get the newspaper? Can I have high-speed Internet? These kinds of things. We're all facing that.

I decided I had better borrow some money and buy a house. The bank doesn't want to talk to you if you're on a retirement income. Nobody wants to loan you money. You cannot use your RRSPs as collateral for a house. Did you know that?

So, get back to work. I took some term positions. That has worked quite well. I've been working now, four years. I've been working on a contract, four years, I should say, and eight years I've been working since I retired. I'll be 65 next year. I'm working till I'm 65 and I might stay at it, because I'm just buying a house. I'm a person now, a proud owner of a \$100,000 mortgage. Isn't that lovely, at 65.

Well, let's just look at a few solutions here. This struggle has been going on for a long time. It's good. I'm very pleased that MTS was considering trying to really address this problem in a serious way, and the NDP government as well, but both PC, and NDP, governments, which was sort of known as the teachers'—all my friends who aren't in the NDP group call us all a bunch of lefties. Oh, you lefties there, right? Both governments have failed to act. I think that financial benefit that has been mentioned by several people today is the reason.

Mr. Chairperson: One minute remaining.

Ms. Gilchrist: I understand that the unfunded liability built roads, built hydro dams, and all that. I'm not exactly opposed to that, but I am opposed to being blamed now for huge amounts of money that have to be put back, money that was owed.

What could work? Well, let's quit blaming. It's not a perfect world. If we need a mediator, let's get it. We're frustrated and angry, but we've got to solve this problem. Another one is, well, maybe we could bring in a Liberal government.

An Honourable Member: I'm okay with that.

Ms. Gilchrist: So am I.

Okay. What can the government do? Well, here are a few practical things. I think the government has a conflict of interest here.

Mr. Chairperson: Order. I regret to say the 10 minutes has been reached, but, by leave of the committee, we can continue to hear presentation, in lieu of questions. *[Agreed]*

Please continue.

Ms. Gilchrist: The Sale report should be either slowed down, hoisted, whatever you want to call it, and rework some of those troublesome clauses. I think Minister Bjornson told the school boards to go back and figure out a few things. I'd like to put this committee back to work.

The Cabinet can discuss where you can find some more money to improve that COLA account, and it needs to go in now. Don't stall. Every department has a little extra money there, so let's pull together here, folks. The equivalent money spent on the plebiscite, which seemed to be an error in the long run, let's just match that and put that in that PAA account. The budget for the school weather system, which I heard about on the radio, to warn us in case there are hurricanes, which is sort of encouraged by risk management folks, I think I heard that it was going to be close to \$900,000. Let's just pop that into that PAA account, too.

These amounts sound large, but, really, they're only a small percent of the big pie with the Minister of Finance (Mr. Selinger). I'd really like to have the media get a clearer picture on what unfunded liabilities means.

What can The MTS do? Well, I think they should admit that they rushed this issue and probably misjudged it. I think it was partly rushed so they could get to the binder meetings before the AGM. I'm sorry that they didn't do the normal process, we've talked about process here, which would be have a resolution that would go to an AGM.

I think that the RTAM people need to be built into this process. A lot of us started when there was one day of teachers' convention. Well, we have worked hard to put a lot of professional development in for teachers, so let's honour that. Let's just try hard to empathize with all these people who are really frail and are paying a lot of money to drugs. I guess it's a little hard if you started your salary at 50,000 and you've gone up to around 120,000 to sort of get that, what it's like to live on 22,000 or 24,000.

I think you should think about the perceived collusion between the current executive and the NDP minister and government. Certainly, I mean, Tim Sale, he's been a wonderful politician, but he has nothing to lose out of this. Many of us have supported the NDP, and I just don't understand why they are being so hard on us right now. It's very degrading to be begging.

So, to come back, both sides should play fair, play by the rules and just don't change the rules in the middle of the game when you're not winning. Do the right thing.

Mr. Chairperson: Thank you very much for that.

Any questions, quickly, with the time remaining?

Mr. Schuler: Ms. Gilchrist, thank you very much for being so patient. We're almost on the end of the presentations, and we appreciate your comments.

A couple of things that I just found incredibly telling. You made the comment, and we've heard this a lot: I've worked hard and then I retired. Then there's the next part to the sentence which I picked up later in your comments, and then you say: I have worked for eight years since I've retired. There's something wrong with that picture. You're not supposed to be working for eight years since you retired. And then you go on to say, \$100,000 mortgage. You know, that statement is always in the back of my mind, where's the gold in the golden years.

You also said, just now, it's degrading to be begging, considering you're begging for your own money. Like I said before, you can't actually beg for your own money because it's your own money. I don't even know how to place it, but you shouldn't be begging for your own money. *[interjection]* I need a different verb. Thank you. We appreciate very much your comments and the fact that you've been so patient with committee over the last four days. Thank you for being here.

Mr. Chairperson: Ms. Gilchrist, any comment? No.

Mr. Lamoureux, very quickly.

Mr. Lamoureux: Very quickly. I think that you bring up a valid point in terms of it's an issue of priorities. We've heard that from other presenters, whether it's the millions spent on Spirited Energy, the extra millions on the floodway, the hockey arena, it's about priorities.

What priority do you think they have for our seniors today?

Ms. Gilchrist: There's talk, but, you know, let's walk the walk here. I think the government has that responsibility to get some money in there and bump up that PAA account so it could start earning some interest. Whether we're in the teaching force, the paid labour force or in the volunteer capacity, in our

community the people doing most of the work are retirees, whether it's raising money for the handivan or conducting this or that, we're working. We are contributing to Manitoba and Manitoba is in a good situation right now. Let's get some money in there.

Mr. Chairperson: Thank you very much for your time with us this afternoon.

Please bear with us. We've just received a written submission, it's No. 137. Is the committee willing to accept a written submission from Denis Fontaine, even though we've technically deleted his name from the list, because he was called twice and then dropped? *[Agreed]* Okay, thank you for that.

Continuing with our second calls for rural presenters. No. 178, Dale Lund.

Mr. Dale Lund (Private Citizen): Present.

Mr. Chairperson: Excellent.

Mr. Lund: And I do have copies.

Mr. Chairperson: Excellent, again. Thank you for waiting and your patience. You may proceed at any time.

Mr. Lund: Thank you.

Good afternoon, Mr. Chairman, Mr. Minister, members of the Legislature, ladies and gentlemen. Brevity has its place, or does it? I'm going to try and be brief. I am Dale Lund, vice-president of the Westman Retired Teachers' Association. I think that means I'm liable to be president come fall.

* (16:50)

I'm here to show my displeasure at the limitation of Bill 45. Bill 45, once recommendations made by the Sale report, to be put into law. I'm against the recommendations about COLA in the Sale report. Up to two-thirds of cost of living could mean nothing or anything in between. Teachers paid for a full COLA. More work is needed by all parties involved to bring a fair resolution to the COLA problem to the table. Also, the plebiscite was not done fairly and should be disregarded by the NDP government.

Undoubtedly, if legends are able to turn in their graves, that's a little different. Tommy Douglas, CCF premier of Saskatchewan and considered most important person of Canadian history is turning in his grave. He believed in the rights of people and we all know how important his work to bring about medicare in Canada is, was, to us all. We are all living longer, so everyone, even retired teachers need

what they have bought and paid for while they are working.

If we retired teachers are unable to obtain a cost-of-living allowance by way of negotiations with the NDP government of the day, then more and more retired teachers are going to be trying to make a living while receiving an income well below the poverty line. Each person in this room reached their present standard of living position because of various teachers and professors in their life. Many politicians representing the constituencies in the Legislature today must have parents or other relatives that were or are teachers. Would it not be of benefit to each of them if they could get a full COLA each year? It'd be a benefit to me. Why are members of the Manitoba Teachers' Society siding with the government on this situation?

Up to two-thirds is not a guaranteed two-thirds of inflation. It could be zero percent. In my opinion, there have been a great many wrongs perpetrated by the NDP government in this negotiation. The Tim Sale report from beginning to end was offensive. The plebiscite was done in completely the wrong way if it was done by the people for the people. Everyone knows the time limit was set to obtain a false result in favour of the NDP government.

Getting back to legends, I like this. This is a little levity and I think we need it. Such as Tommy Douglas, Stanley Knowles and Ed Schreyer who did everything they could for the common people. I met Mr. Douglas in Maryfield, Saskatchewan when I was six or seven years old. This is a true story. He gave his speech from a manure spreader. He said, this is the first time I have ever spoken from a Conservative platform.

Thank you. That's it.

Mr. Chairperson: Thank you, Mr. Lund.

Any questions for our presenter?

Mr. Schuler: Yes, thank you very much, Mr. Lund, and we appreciate everything—first of all, for having preserved until now—persevered—I can't even say it anymore. It's been three long nights and a long day—

Mr. Lund: No, no, just one long day.

Mr. Schuler: Yeah.

Mr. Lund: I know you've been here three nights.

Mr. Schuler: Oh, for you it's only been one long day. I stand corrected. For us, it's been—we appreciate very much that you're here, that you're presenting.

It's important for us to hear from you. I thank you for everything in your presentation except for the last two sentences. If I'm a little sensitive on that one, please forgive me. No, we really do appreciate the fact that you came forward and presented. Thank you very much and I know one of my colleagues has a question, but I did want to just say thank you, on behalf of committee, that you're here.

Mr. Cullen: Thank you, Mr. Lund, for making the trip in. As a resident of western Manitoba myself, I know it's a bit of a commitment to come in here and I do appreciate you taking the time.

I'm sure you're sharing the views of your Westman retired teachers. I just wondered, maybe make a comment. I imagine you probably talk with present teachers as well. I'd just like your views on, do you think the teachers today would have voted in favour of the Sale report if they had a full understanding of what the repercussions could be to that report?

Mr. Lund: I can only comment on the few that actually called. They wanted to know what the situation was, and, of course, being retired, we were against the Sale report. So I told the people—I don't know how they voted but they were teachers of the day and they didn't seem to have any knowledge of what it was about. Why were we doing this? What's the Sale report? COLA—who gets COLA? Although where I taught was in Shilo on the Forces Base, and let me tell you if you retire from the military, you get COLA. So, no, in answer to your question. I believe that there would've been more no votes if there had been enough information out there for the people who are teaching today.

Mr. Chairperson: No further questions from the committee? We thank you very much for your time.

Mr. Lund: Thank you for allowing me to come and say a few words.

Mr. Chairperson: Safe home.

Continuing with our list, No. 180, Gail Sanderson? Gail Sanderson is deleted from the list.

Number 182, Bill Heather? Bill Heather is deleted from the list.

That now concludes rural. Committee members and anyone else following along, we will stay on this page.

Our next one is the lone urban presenter, who was called last night and not here, 185, Dick

Marshall. Is Dick Marshall present? Very good. Thank you, sir, for copies of your presentation. You may begin whenever you're ready.

Mr. Dick Marshall (Private Citizen): Before I start, Chair, No. 156, Edith Furdievich—I think I got that right—wanted to be here to present. Unfortunately, we weren't able to contact her. While you dropped her name, I walked into the room and I waited until this time to present her written presentation for consideration by the committee.

My name is Dick Marshall. I've taught 37 years and, believe it or not, I didn't get a full pension. More on that later. While I'm waiting for that to be distributed, could I make a comment please upon the Pension Task Force meetings and the plebiscite.

You've already heard one speaker describe that in his experience, and I'm paraphrasing here, those who complained about the process didn't get what they wanted. That was obviously a graduate of the Robert Mugabe school of leadership, but I don't think in this province we have lost notions of fairness and equitableness and maybe even transparency. I'd like to assure the committee that while I didn't take part in the Pension Task Force meetings other than once before I got kicked out, I did take part in the plebiscite and I did take part in talking to people, and I did take part in the debate that took place between RTAM and the Manitoba Teachers' Society—actually not a debate, a presentation of views—at the Winnipeg Teachers' Association that another person mentioned here.

I don't think teachers, nor do I think that retired teachers, have given up on those notions despite the shabby treatment that we received and continue to receive, and by the way we're not looking for help in that, at least from my point of view. We're big people. We can look after these guys even when they're rude and I know that their behaviour is a subject of conversations in your caucuses, and I know that we have the worst teacher-retiree relationship in this dominion of ours. I know that not only because other teacher groups and retiree groups tell us that, but because independent observers in Manitoba have observed this and have written to both of us to tell us that we do have this.

* (17:00)

But I want to assure you that, if you are under the impression that the pension task force meetings that led to the Tim Sale report were open, transparent, collegial and collaborative, you are

dreaming and smoking something illegal. There was no consensus as far as the reports that I read about the Tim Sale report, and that was his mandate, by the way.

I've passed out a number of sheets. The No. 1 that I've listed here is a sheet that was developed by me essentially to tell teachers how much did they contribute to the PAA. So you see in column A the years are listed; D would have been their yearly contributions, and we have those and they're accurate; F is the contribution rates to the PAA; H would be their yearly contributions; J is a cumulative column; L is the rate of interest credited to the PAA.

Now, take a look at that. You started in '77, 10.5 percent. You got as high, I believe, as 12.67 percent, and, if you go down to 2006, you're at 5.25 percent. Why is that important? Well, it's important because it tells you why the PAA was able to pay out 100 percent COLAs for as long as it did. We had high interest rates. We were dealing with massive inflation in the '80s and in the '90s. We had successive prime ministers in this country telling us they were going to wrestle inflation to death, and in many cases they made it worse. It's only recently that those interest rates have come down as inflation has become more controlled, and it's, as the Ontario teachers' pension plan says on their Web site—or used to say on their Web site—because of the historically low interest rates that pension plan contributions have to be raised because they're not earning sufficiently to cover their liabilities.

That's the major reason, by the way, that the Ontario teachers' pension plan is not in trouble, as one earlier speaker put it. He sounds like MTS saying all pension plans are in trouble. No, they're not. The Ontario teachers' pension plan was not in trouble. It has a plan and an orderly way of improving their contributions to cover their liabilities, and that is the major concern that we have with the Sale report. It is not a plan to solve the issue.

Column N is the level of contributions. I know that when I retired in 2002 I had \$38,000 in my Pension Adjustment Account if I had a separate account. My wife, who is here and has already spoken to you, retired in 2005. Hers was 50. Now, these are significant amounts of money, and it kind of blows us and RTAM away that the *Free Press* that made such a fuss over the Crocus Fund where they're getting more than 50 cents on the dollar back, hopefully, doesn't seem to see that this is a bit of

robbery that's going here. But it's not robbery. But it is a significant amount of money, and that's why we say, we've paid for our COLA, and we paid for it now.

I took part in a presentation to Sunrise Teachers' Association, and one young teacher said: We know what we have to do. We have to increase our contributions. And what is RTAM putting on the table? Unfortunately, I wasn't the speaker for RTAM. I would have said: I'd put \$38,000 down on the table. What have you put in?

By the way, I know that there are some here who figure that the deal of 1977 was a bad deal. It was a terrific deal. I have no hesitation of saying that whatsoever, and I would be willing to argue that with anybody. It was a terrific deal and it was done with a terrific premier, Ed Schreyer. I know the history of why we now have cost-of-living allowances for teachers, and it was because of Ed Schreyer.

It was a terrific deal because it meant that we would continue to have COLA and we'd get to talk about COLA. The problem we have is we're kind of disagreeing about how to solve this problem when it seems to me it's rather transparently evident.

On page 2, if I could direct your attention to that, it's a different page. The people on this side, you have to turn it over. The historical valuations of account A—take a look please at 1990; by the way, this came from TRAF.

In 1990, the Teachers Retirement Allowances Fund, account A, was pegged at being 106 percent of their liabilities. That year is the year in which early retirement came in. What was the effect? Maybe '93 saw it come down to 100 percent.

Mr. Chairperson: One minute remaining.

Mr. Marshall: But you could see that it goes up. What this doesn't show you is the two parts of this document, which are: What are the future liabilities, current teachers, and what are the past liabilities? You will see that the past liabilities are significantly in excess of 100 percent and are pulling up the future liabilities, those who haven't paid.

Sorry, I hadn't realized 10 minutes was so long. Two-thirds is a crock, and it was a lie. I know you people can't call liars here but, when something is said deliberately, repeated by Tim Sale and adopted as government policy—this plan was not designed to pay out two-thirds. It was designed to do exactly

what it did; it paid out 100 percent where it could. Look at the number of years they paid out 100 percent.

At the debate that took place with the Winnipeg Teachers Association, Pat Isaak changed the message like that. Oh, it wasn't that the plan was designed to pay two-thirds; it was that the funding was two-thirds. Well, that's a crock as well—

Mr. Chairperson: Order. Sorry, we're at the 10-minute mark. Is the committee willing to grant leave in lieu of question time? *[Agreed]*

Mr. Marshall: I'll finish this point. That's a crock as well because, if you look at the payouts that were done, 100 percent payouts, and count them up, the minister—when replying to the letters that he would get about people complaining about the low COLA payouts since the NDP took over—used to claim that the plan was working. Look at how many times it paid out 100; look at how many times it paid out 90 percent. He was right.

Mr. Chairperson: Thank you for your presentation.

Mr. Schuler: Mr. Marshall, thank you very much. You being the last presenter on the list, we would like to especially thank you for having been so patient, No. 185. Thank you for having been so patient and waiting to make your presentation.

We appreciate the documents that you've put in front of us, and you're right. One of the things to look at, on schedule 2, is going forward. What are the liabilities and what impact will that have? That is very telling and something that, certainly, we will be asking the minister. Thank you. We appreciate your comments.

Mr. Lamoureux: I especially like page 3; I can somewhat understand. A lot of the presenters said they were of the opinion that they didn't have to worry about the COLA in retirement. If you were around or looking at retirement in the '90s, I can appreciate why. Starting back from virtually 1984, it has been 100 percent all the way up to 2000 or 1999 type of thing.

In your opinion, is it safe to say that your colleagues, at the time when you were looking at retirement, there was no doubt in your mind that you were going to be receiving a fair COLA, that it would not be an issue for you upon retirement?

* (17:10)

Mr. Marshall: I retired after teaching for 37 years. I knew the state of the Pension Adjustment Account. Since the early '90s, I'd been asking, along with other Winnipeg teachers, for discussion on this at the annual general meeting of the Manitoba Teachers' Society. Were we all aware? No. I mean, I still find teachers who say we are guaranteed 100 percent COLA. Ms. Isaak is quite right, we weren't guaranteed. But it says in the act, there must be a COLA if there is sufficient funds and it has to be as high as 100 percent. So those teachers who received 100 percent were only getting what the act said. They should not be to blame. They should not be labelled as part of the problem of 20 years. They got what the plan was designed to give them.

The problem now we have is, we have to give more money. It's a logical principle. We have to give more money up front. Instead of paying \$130 million—as Ms. Isaak said we turned down—over 10 years, put the \$130 million up front. Get it matched by both sides, boom, you've got \$260 million. You've more than doubled the fund and that money doesn't have to meet an economic return test.

Each year, the PAA gets drained of its funds. Each year. Last year, the PAA did not earn enough money to show a positive interest so there was a deduction from the funds available for teachers to have a cost-of-living adjustment. But each year, I would imagine less than \$500,000 is surplus and it's carried forward to the next year. That's the way it works. So if we're draining it every year, and we are, what's going to be there for these teachers, you know, if the Tim Sale report is put in place and nothing is done in 10 years? At the end of 10 years, what's going to be there? Another decade of retired teachers, crabby as hell. We're going to still be discussing about fairness and equity. The government will have spent 130 and not done any material improvement. We will still be on this treadmill. The difference will be that, in 10 years, the number of retirees will vastly exceed the number of active teachers. I don't have to tell you. I don't have to be crabby with you. They're all behind me here. They're waiting to tell you. Somebody said that we should have done something 25 years ago, it was building. It will take us 25 years to—baloney.

Do you know how they can pay for houses in Germany? Do you know how the Australians fund—the average house in Sydney is half a million dollars now, the average. Do you know how they do that?

They do it the same way we do it, only they take more time. They set up government controlled agencies. My German landlord, he paid for 10 years into a fund and then they told him he could build his house, which, in 1972, I estimated with a friend was worth a quarter million dollars. He laughed and said it was worth five.

Mr. Chairperson: Order. Maximum time for questions has expired. Thank you for your time this afternoon.

Mr. Marshall: Thank you.

Mr. Chairperson: Two notes for the committee. We have received written copies of presentations from people who have been dropped from the list. Edith Furdievich and Jag Malik. So copies of that will be distributed and, with the committee's leave, we will add their comments to the official record. That has been agreed to? *[Agreed]*

Committee members and anyone else with a master list, we are now back on page 1 at the top of the page, continuing our second call of urban presenters.

Ruth Hartnell? Ruth Hartnell is now dropped from the list.

Number 3, Monique Hébert? Monique Hébert is dropped from the list.

Number 6, Ruby Hanna? Ruby Hanna is dropped from the list.

Number 8, Nancy Kostiuk. Nancy Kostiuk is dropped from the list.

Number 9, David Quinton. David Quinton is dropped—sir, are you David Quinton. No? Okay, thank you. David Quinton is dropped from the list.

Over to page 2, No. 11, Alvin Wieler. Alvin Wieler is dropped from the list.

June Wieler. June Wieler is dropped from the list.

Paulette Hughes. Paulette Hughes is dropped from the list.

Debbie Siegel. Debbie Siegel is dropped from the list.

Charlie Siegel. Charlie Siegel is dropped from the list.

Jan MacPhail. Jan MacPhail is dropped from the list.

The next one I have is No. 21, Shelley Herbert. Shelley Herbert is dropped from the list.

Number 22, Thelma Flom. Thelma Flom is dropped from the list.

Number 26, Margaret Aileen Teperto. Margaret Aileen Teperto is dropped from the list.

Number 27, Emily Williamson. Calling Emily Williamson. Seeing no one, her name is dropped from the list.

Number 29, Howard Wohl. Howard Wohl is dropped from the list.

Number 30, Clyde Bramadat. Clyde Bramadat is dropped from the list.

Number 31, Diane Bewell. Diane Bewell is dropped from the list.

Number 32, Gaylene Gietzel. Gaylene Gietzel dropped from the list.

Number 34, Don Bewell. Don Bewell is dropped from the list.

Number 35, Jim Tomes. Jim Tomes is dropped from the list.

Number 37, George Dyker. George Dyker is dropped from the list.

Number 39, Douglas Hallsted. Calling Douglas Hallsted. Seeing no one, they are dropped from the list.

Number 40, Ruth Livingston. Excellent. Thank you for joining us.

Ms. Ruth Livingston (Private Citizen): My pleasure.

Mr. Chairperson: Do you have copies of your presentation?

Ms. Livingston: You know, I don't, but I could forward it by e-mail.

Mr. Chairperson: Oh, great. Okay. Please proceed.

Ms. Livingston: So, my name is Ruth Livingston. I retired at the age of 62 because of health problems. For most of my career I worked with high-risk students in Winnipeg School Division, the last decade at the high school program for Rossbrook House which I still volunteer with. I spent many years actively involved with committees at the MTS level as well as with WTA, and I had the honour in

my last year of my teaching of being given the distinguished service award by my association.

I support a spouse on my \$1,800 a month pension income, and I subsidize my adult mentally ill son who will never hold a job which pays him a living wage. Nor will he qualify for benefits as his disabling condition does not meet required criteria. I, like everyone, have issues about escalating costs without increased income to cover these, and like some of the folks who've come today, I'll tell you a little more about me. Some of mine are for medical conditions. One of my biggest problems is arthritis inside my spine. When I retired I signed up to continue my supplementary health insurance, primarily because of the costs of ongoing meds. One of these is Celebrex which was at the time covered by my insurance, but since I retired the province took it off the approved list, and it now costs me about \$90 a month. This is over and above the \$104 I pay for the insurance which I'm locked into.

* (17:20)

The medication is not discretionary. It keeps me mobile, continent, out of a wheelchair, and mostly free from excruciating pain. Other medications, which have been refused coverage, would possibly give me back some of my hair, which I agree is discretionary and not critical to my ability to live, but certainly affects my experience of my living.

My partner is currently recovering from a radical prostatectomy, and the cost of the pads and personal hygiene products and other things he needs, including dietary supplements, are not cheap and are not covered in any way. And lots of people have these kinds of costs.

I paid about \$50,000 for a benefit which I, like all these folks, am not receiving. I paid for a full COLA. It was not my fault that the government of the day didn't pay the proper share and spent it on other worthwhile things, but which resulted in today's underfunded account and my not receiving adequate adjustments to pension income.

On some level, I feel like we're being coerced. If we agreed to this arbitrary cap of two-thirds of COLA, then we can have some increase right now. The current promise, I believe, is to be about 54 percent, if we get it. Tell me, what are the chances we'll ever get up to even two-thirds of the COLA over the next 10 years? I don't understand why the provision has been dropped on us when the plan only

pays out what it can. It's not guaranteeing us a two-thirds thing. If this is our sticking point, why is this an issue anyway?

I am really aggravated with reading about how greedy and unreasonable we retired teachers are. You are asking us to agree to this cap of two-thirds of what we paid for. I do not hear you suggesting to other groups that their pension plan beneficiaries accept only two-thirds of what they paid for. If you truly think this is a fair solution for us, then how about apply it to all the other pension groups you have authority over. I do not refer to two-thirds of COLA. Irrespective of what everybody paid for, give them all two-thirds. That should put some money back into some of the accounts to help spread costs until everyone can start receiving more benefits for which they paid. Fair is fair. It should be no more ridiculous a solution for anybody else than it is for us.

I was a math teacher, by the way, and I really do understand compounding and the huge, huge impact of the lack of the compounding that went on. As Dick Marshall said, pay it in now so that this problem does not continue to plague us ad infinitum.

I'd actually like to request, personally, a refund of the \$50,000 I paid into the PAA, and I'll look after my own COLA. You can keep the interest that you earned on my money over the years. Actually, I have a better solution for me. How about refund me the one-third of the \$50,000, which nobody is interested in considering for benefit, and give it to me in today's dollars, at the same rate of calculation by which I had to pay in today's dollars when I was finally allowed to buy back my maternity leave benefits from 1979. I think this would be reasonably fair to me, and I could stop being angry about the inequity of what's happening to us and the miscommunication to the public about the cause of the problem. I can't afford the stress this is causing me.

By the way, I spent my entire adult life, 10 years as a social worker, and the rest of my working life as a teacher working for equity for children and for teachers in this province. I respectfully submit that as my presentation.

Mr. Chairperson: Thank you very much.

Any questions for Ms. Livingston?

Mr. Schuler: Thank you very much, Ms. Livingston, for your presentation. We've had a lot of numbers and stats thrown at us. It's actually very important

also to hear real-life stories, and I think we appreciate that a lot. Again, as with others, it puts a human face on what we're talking about here, and I think that is very important. We appreciate the fact that you took time away from your family and came here to make the presentation. Thank you for being here.

Ms. Livingston: Thanks for your kind words.

Mr. Chairperson: Seeing no further questions, we thank you for your participation.

The committee next calls No. 41 on the master list, Germaine Lussier? Germaine Lussier is now dropped from the list permanently.

Number 43, Paul Ruta? Paul Ruta is deleted from the list.

Number 44, Irene Steen? Irene Steen is dropped from the list.

Number 45, Mary Barzey? Did someone say they're here? Is Mary Barzey present? Hi, are you Mary Barzey?

Ms. Mary Barzey (Private Citizen): Yes.

Mr. Chairperson: Very good. Thank you for joining us. Do you have copies of your presentation?

Ms. Barzey: Yes, I do.

Mr. Chairperson: Excellent. Thank you, again. We'll get those distributed to committee members.

Ms. Barzey, you may begin your presentation whenever you like.

Ms. Barzey: Mr. Chairperson, Honourable Minister, committee members, colleagues, ladies and gentlemen, my name is Mary Barzey, and I'm here to speak against Bill 45. I taught in the Manitoba schools for 30 years and took early retirement in 2000. In the mail that I brought in is a statement from the Teachers' Retirement Allowance Fund. This month there is an increase, the exorbitant net sum of \$9.76. Which utility bill will this pay? Telephone? Hydro? Water? Or perhaps I can buy a month's supply of milk.

The statement says your monthly pension includes a cost-of-living increase of 0.54 percent. Over the past eight years, my net increase ranges from \$4.35 to \$29.08. A very profound analysis of CPI is given in appendix I of my presentation. This appendix was prepared by a retired teacher, a friend of mine. You will notice it includes a CPI table based

on a Web site and her personal records from 2002 to 2007. Please peruse this carefully.

MTS is fearful that it's being asked to fix the problems of the pension, and so the president stood here and accused her father of being less than astute in planning his retirement income. Parents stand by their children through thick and thin. Many children are proud to be able to stand by their parents. In this case, sad to say, the president decided to be in cahoots with the enemy.

Before I get to pension responsibility, however, I wish to present some facts of my own regarding MTS. The current members of MTS are taking credit for a teacher's pension being calculated from the best of five rather than the best of seven years. This is, in fact, a gift from the present retirees. From my viewpoint, the government saw this as a window of opportunity for them not to contribute to the plan. For the more money that went into the fund from other sources, the smaller the amount of money the government would have to put in.

Negotiators told the teachers that, for a lump sum payment amounting to two years' salary, a teacher could have his or her pension calculated over five years rather than seven. Some of us took advantage of that. About two years later, other teachers were given the opportunity to do the same thing through instalment payments. The negotiators then ensured that all teachers were able to opt for five or seven years.

Today's teachers enjoy many amenities. Are they aware of the cost to others and do they care? Take the dental plan, for instance. My annual dental plan bill was \$100 for cleaning. The teachers in my division were very concerned that there was not a dental plan in place, especially to help young families. When the dental plan was implemented, my dental bill rose by \$400 as my payment into the plan was \$500. My sacrifice annually? Four hundred dollars. Once I retired, I could not access the plan.

* (17:30)

When MTS dues increased around \$125, would I or many of the present retirees benefit, especially as some of us were on the way out? Yet we stayed in the plan and paid the dues, not for ourselves, but so that future teachers would have the best lawyers, the best negotiators. In fact, the best of everything.

These are only two examples. What is \$525-plus worth in today's economy? Three thousand dollars maybe?

At the same time, as active teachers, we contributed to the pensions of already-retired teachers and, in good faith, paid for the inflation protection for ourselves, so that we would not have to depend on our children.

People from the nursing profession, civil servants and other groups were aware of and envied the good pension plan the teachers had in place. Now we are being asked to pay the government's share of the agreement. By not putting in its share of the funds at the required time, the government not only acted as a bully, but violated a sacred trust.

The government said my share of the funds will be paid when required. Was that the deal? No. Why did the government believe it had the right to break the deal?

As I understand it, each party was to put in a certain sum of money and that meant the monies from all parties were to be in at the same time. The government violated the plan and the members of the plan by not adhering to the terms of the agreement. Legally, the government owes the money to the plan and has an obligation to pay. Introducing a bill to get out of paying is a coward's way out.

One colleague says they have the handle but, just as the teacher should not threaten and abuse the child, the government does not have the right to abuse and threaten any member of society. The government must adhere to all terms in any agreement held with private citizens. A private citizen in contract would not be given forty years leeway.

So, where were our lawyers? Why was the government not taken to court? To which sector of society did our money go? Was this more important than a senior eating a proper meal? If we cannot trust the government, whom can we trust?

Present retirees need a COLA. A 100 percent COLA gives the teacher a rise in the cost of living and maintains the purchasing power of the year of retirement. Since 1999, the purchasing power of the pension dollar has declined by more than 10 cents. The result of that is a less-than-90-cent dollar buying less and less each year.

The pension rights negotiated in 1997 with the then-government are not being upheld. I know that governments have their own agendas, but one expects all governments to honour legal commitments made by previous governments.

It is sad when governments take advantage of vulnerable sectors of our society. The senior citizen's dignity and self-respect have been eroded by the government, and the senior is being driven into poverty. Shame, shame on you.

Why should a group of seniors be here, fighting to keep out of the poorhouse, when they had a solid agreement with their government? To top it all, they are being asked to take a 10-year moratorium. How many of them will be here in 10 years? In the meantime, they are being asked to live whatever time they have left, stressfully, in poverty.

Is that any way to treat parents and grandparents? Stress is a killer. Are we being helped along the way?

Because this is a passive group, they are not being taken seriously. This group has strived to get this government to listen; they have even rallied twice, but to no avail. At the second rally, the honourable minister of higher education insisted on speaking first and then retired to his office, without waiting to hear what two designated teachers had to say.

Bullying? Coercing? Disrespect? Has this group not given enough? Do you want blood out of stone? The government has to determine the amount of money the government owes and must arrange a payment schedule within a very narrow window of time.

Mr. Chairperson: One minute remaining.

Ms. Barzey: A meeting with an equal number of experts from RTAM, MTS and maybe other experts should be organized and a plan of action put in place immediately. Government is indebted to the plan and the only way out is to pay. Painful? Yes, but necessary.

A person retires to take himself or herself out of a stressful situation and to make way for the younger generation. I surely did not envisage my pension being eroded and that I would be under this type of pressure, having done all I could to ensure that I had in place a pension to enable me to enjoy some of the amenities of life without a second job.

Nine years have gone by and some are no longer here. Ten more years inactivity will no doubt result in a government victory, but at what cost? Because this government is in a majority, it does not mean that you should act hastily and arrogantly, and I sincerely hope that you take time to reflect and

conclude that you must face your responsibility and not hide behind the bill, in this case, Bill 45. Thank you.

Mr. Chairperson: Thank you very much.

Any questions?

Mr. Lamoureux: To the presenter, I know, I think it was last night or maybe the night before, I went into the other committee room. I saw you there with a few other people. I just wanted to express the appreciation. That was the overflow room as this room was actually packed, and it was very good of you to persist in being here and being present so that you could send a very strong message.

In your presentation, the word that comes to my mind that you expressed, I thought quite well, was the issue of shame, and it is shameful the way in which this whole thing is coming about. One would have expected more leadership on the issue, whether it's the rally you talked about or it's the presentation of the bill, and even the manner in which the bill is going through. I just want to acknowledge your efforts and the people that were in the overflow room in terms of persevering and making your voice heard here at the Legislature, as opposed to what many of your colleagues did was just table the report because of the frustration of having to wait and be here so long and you persisted. Thank you.

Ms. Barzey: Thank you.

Mr. Chairperson: We thank you for your participation today.

The next name to be called by the committee, No. 47, Gordon Newton. Is Gordon Newton here? Seeing no one, his name is dropped from the list.

Number 48, Richard Robertson. Richard Robertson is dropped from the list.

Number 50, Chris Thain. Chris Thain is dropped from the list.

Number 51, Dolores Minkus-Hofley, Dolores Minkus-Hofley is dropped from the list.

Number 52, Kay Koolage, Kay Koolage is dropped from the list.

Just before continuing, we have received another e-mail written submission from someone who had previously been on the list and has now been dropped: Tom Carlyle. Is it the will of the committee to accept his written submission as part of our

official record? *[Agreed]* Thank you very much, committee members.

The next name to be called, No. 53, Maurice Saint-Cyr. Maurice Saint-Cyr is dropped from the list.

Number 56, Gordon Grist. Gordon Grist is dropped from the list.

On page 6, Janice Yon—*[interjection]* Oh, she was written. Thank you.

Number 59, Linda McEwen. Linda McEwen is dropped from the list.

Number 60, Don Bellamy. Don Bellamy is dropped from the list.

Number 61, Stan Dychko. Stan Dychko is dropped from the list.

Number 62, Guy Boulianne. Guy Boulianne is dropped from the list.

Number 63, Theresa Bowser. Theresa Bowser is dropped from the list.

Number 64, Linda Dart. Linda Dart is dropped from the list.

Number 65 Dorothy Gowanlock. Dorothy Gowanlock is dropped from the list.

* (17:40)

Number 69, Lea Mansell. *[interjection]* Hey. And you have copies. Wonderful. Thank you. You may begin whenever you're ready.

Ms. Lea Mansell (Private Citizen): Thank you.

Mr. Chairman, Mr. Minister, members of the committee, my name is Lea Mansell. I started teaching in 1968 at Elmwood High—I'm sorry Ron's not here, he's coming back, okay. Forty years later I'm now still teaching at the Winnipeg Adult Education Centre. I am eligible to retire, but I feel that I'm unable to because I'm unsure of what the indexing of my pension will be in the future. I feel that the time frame of 10 years is way too long to be in an unstable indexing situation. I do not want to teach for another 10 years. I believe that I've paid into my pension for 40 years, and I always trusted that I would have a pension that is indexed fairly. With the indexing some of my retired friends are getting, I do not believe that I can retire and this is very frustrating for me.

When I see that my sister who works for the Alberta provincial government is eligible to retire and is able to plan for her future as her level of indexing is stable, I'm even more frustrated with the government. There's a recession in the United States and a slowdown forecast for Canada with higher inflation and lower returns on investments. The indexing for the pension plan in the Sale report is based on low inflation and high investment returns, and today neither of these things are happening. You cannot predict the future, but I have to plan for my future. I need more stability in the indexing for my pension. I'm opposed to Bill 45.

I have 34 years of pensionable service even though I've worked for 40 years. I had four children and at times I could only work one-fifth or two-fifths time. I took off only 10 days for each of the first two births. When I had twins on the third time and I asked for an extra month off, my principal sent me a letter and told me that my services were no longer required. This was after teaching 10 years. I was truly devastated to think that I did not have a job—and I was a good teacher, too—and I had four children to raise. I believe the parenting time I spent while working part time should be pensionable.

As an active teacher, I believe that I cannot take the risk to quit my job until I see that there's a reasonable indexing for my pension in place. I do not want to have to worry about growing into poverty when I retire. If there's no fair indexing in place, how do I keep my standard of living when inflation continues to increase? And as I get older I must pay for more services that I cannot perform myself. I must also pay for my dental, medical and travel expenses, and there is life after work. As I look around at my school I see many teachers who could retire but are not, and the bottom line is that they're too concerned about the indexing of their pension.

Early retirement is not an option anymore. As I listen to retired teachers, they tell me not to quit—your pension is not indexed properly, stay as long as you can. These retired teachers realize the effects of not receiving the proper indexing. I believe there must be a change, but all parties, the government, active teachers, retired teachers, must commit to finding a long-term solution. When there's a sincere commitment, solutions can be found. Critical thinking and problem-solving skills must be applied. Bill 45 is not the answer. Other creative measures have to be found to correct the long-term funding. British Columbia, Ontario and Saskatchewan have

come up with strategies that are working, so why can't we?

In conclusion I believe that retired teachers should receive the promised indexed pension plan that they've paid into for so many years. The COLA situation needs to be corrected now.

Thank you.

Mr. Chairperson: Thank you very much for your presentation. I believe someone has a question for you.

Mr. Schuler: I heard part of your presentation down the hallway and the rest while I was in the room and you couldn't have started at a better place to teach. Elmwood High School, I figure someday when we have enough of us, teachers and students, we'll take over the world, but we'll have to wait for that time. Again, you know what? This is one of these presentations that you don't really expect at committee, and it's just shocking some of the information that you bring forward and it puts that human element into the story.

We can sit here and we can talk about bar graphs, charts, percentages and all the rest of it, but what's interesting, we've had a whole group come forward and say they were told to retire because you've got a great pension and COLA, and we have a generation coming up where they're being told, don't retire because you don't have a very good pension and COLA. Interesting, isn't it?

I appreciate that you took the time. I'm sure there are a lot better things you could be doing this afternoon, this evening. I appreciate that you stuck it out and gave us this presentation today. Good to see you.

Mr. Lamoureux: I can appreciate the fact that you're now of the opinion that you shouldn't retire prematurely, if I can put it that way, because of the financial future.

The question I have for you is that over the last number of years is really where we see the COLA nowhere near coming close to being met. When did you come of the realization that you should not be retiring early or that's not really an option for you? When did that first happen, and if you can just reflect in terms of some of your colleagues, how they would see your opinion and their general feeling?

Ms. Mansell: I have known for I think I'd say at least eight years; in the back of my mind, it has bothered me about not having a COLA and that my pension is not going to be good enough to retire. I feel that most of the teachers on my staff are all holding in there. Eventually, one or two will go, but there are a lot of us that are still holding in there. So it's being felt by a lot of us. If they get sick or something and they have to go, they do, but if they are still able to teach, they're not leaving. So it has been there, I would say, for at least seven, eight years.

Mr. Chairperson: Thank you very much for your time with us, Ms. Mansell, this afternoon.

The next name of the committee's list is No. 72, Leslie Chale? Leslie Chale is dropped from the list.

Number 74, May Goral. May Goral is dropped from the list.

Number 75, Hillel Taylor. Hillel Taylor is dropped from the list.

Number 76, Ursula Schindel-Ditchburn.

Ms. Ursula Schindel-Ditchburn (Private Citizen): That's me.

Mr. Chairperson: Very good. Do you have copies, or just an oral presentation?

Ms. Schindel-Ditchburn: I do not.

Mr. Chairperson: That's fine. You may proceed.

Ms. Schindel-Ditchburn: Members of the committee, I thank you for taking time to hear my presentation today. My name is Ursula Schindel-Ditchburn, and I would like to speak in opposition to Bill 45.

To clear things up, first of all, I'm from River East, and guess what? I voted no to the plebiscite. I am a new retiree as of February 2008, and I'm very concerned about this bill. I wore black today because I fear the demise of our COLA.

When I look to the future, it is frightening. Presently my husband is unemployed. I'm trying to support both of us on my retirement income. Due to health issues and job availability, he has only been able to work eight months out of the last 20. We also have considerable ongoing health expenses which are not covered by Manitoba Health; therefore, our financial situation is extremely tight. Last month was particularly bad. My whole pension plus more went to medical expenses alone.

I volunteered to call Retired Teachers' Association of Manitoba members to inform them of these meetings, and what did I discover? Others like me are having monetary problems. One elderly retired teacher was having difficulty buying groceries. One gentleman wanted to make a presentation tonight but couldn't because he had to work to make ends meet and therefore could not be here. That is a pretty sorry position to be in after 30, 40 or more years of hard work.

* (17:50)

I also discovered a lot of confusion. One person thought we were already guaranteed the two-thirds COLA in Bill 45. Three people I contacted were so confused that they said they could not possibly even vote in the plebiscite because they felt they could not do so in good conscience. Others also expressed confusion, although they did not tell me whether or not they voted.

After talking to these people, I cannot believe that the plebiscite accurately assesses the opinions of teachers. There is just too much confusion. Others are angered and saddened, as am I, because teachers, who have always been united, are now pitted against each other.

I would like to emphasize that I am passionate about my opposition to Bill 45; otherwise, I would not be here. Public speaking terrifies me. My principal used to joke that he would come and hold my hand for meet-the-teacher night. Presenting is difficult for me and not at all like speaking to my class of seven- and eight-year-olds.

Others are just as passionate as I am. One 93-year-old retiree so much wanted her viewpoints expressed that she had someone help her write it and wanted it presented here before this committee. Another person could not make a presentation because she'd had a stroke. Others said they were definitely in opposition but were not comfortable speaking in the political arena, and boy, do I know what that feels like.

We are not fat cats. We just want to make our ends meet and have a decent living. Is that too much to ask for? After 33 years of service, I get a \$25,000 a year pension. By the way, I did not take the health plan because that would have cut it down even further. I challenge you to live on that amount. Better yet, I challenge you to support two people on that amount. Better yet, I challenge you to support two

people on that amount that have health challenges that are not covered by Manitoba Health.

We all know that the cost of living is getting higher. The spending power of a retirement dollar has eroded by 10 percent over the last 10 years, not likely to get any better. The cost of groceries, gas, housing expenses continues to increase. With little or no cost-of-living allowance increase, it'll definitely make meeting our ends, our expenses, very difficult or impossible. The last COLA we were given was little better than half the cost of living. What will happen to us in the future? We need a guarantee of some kind.

Not all of us have two incomes to rely on. Some of us have one income for two people. Please do not create undue hardship. Civil servants, as far as I was given to understand, are guaranteed two-thirds COLA. Surely, teachers should be guaranteed the same two-thirds COLA.

As a side note, when my husband typed up my presentation for me, he made a typo. He left out the "e" in the word "surely" so that it read, civil servants are guaranteed two-thirds COLA. Surly teachers should be guaranteed the same two-thirds COLA. This, I believe, is also appropriate. We would surely become surly if Bill 45 remains as it stands presently.

Please consider my position and others like me when dealing with Bill 45. I'd like to thank you again for allowing me to speak to this bill.

Mr. Chairperson: Thank you very much.

Questions?

Mr. Schuler: Yes, thank you very much, Ms. Schindel-Ditchburn. If this is your idea of being nervous in speaking at a public forum, you're doing really good. I'm very impressed, and like others before you, we appreciate the fact that you came forward. And though all the numbers and all that is also very important, you put a human face on it again. We appreciate that you took the courage. It takes a lot of courage to come forward and give a little bit of personal, a little about your family to share a little bit, because that makes us vulnerable. Right? For the fact that you came forward and shared with us, I think it goes a long way for all of us. It helps us understand that it's not just legislation; it's real human beings and real situations and real families, real times of crisis that we're dealing with. I appreciate that you shared that with us.

Ms. Schindel-Ditchburn: Thank you very much.

Mr. Chairperson: Thank you for your time with us.

Committee Substitution

Mr. Chairperson: I have a substitution that I've been notified of. At this time, I'd like to make the following membership substitution, effective immediately, for the Standing Committee on Social and Economic Development meeting on July 24, 2008, for the NDP caucus: Mr. Saran in the place of Ms. Melnick. So Saran in place of Melnick. Thank you for that.

* * *

Mr. Chairperson: Continuing with the list, the next name, No. 78, Norman Asher. Is Norman Asher present? Seeing no one, his name is dropped permanently from the list.

Number 80, Ron Phillips? Ron Phillips is dropped from the list.

Committee Substitution

Mr. Chairperson: Another membership substitution. I'd like to make the following membership substitution, effective immediately, for the Standing Committee on Social and Economic Development meeting on July 24, 2008, this time for the Conservative caucus: Mr. Faurschou in the place of Mr. Cullen. Faurschou for Cullen. Thank you.

* * *

Mr. Chairperson: Number 81, George Wall. George Wall. Seeing no one, his name is dropped from the list.

Number 82, William Beitzel. William Beitzel is dropped from the list.

Carol Beitzel. Carol Beitzel is dropped from the list.

Number 84, Mary Starodub. Mary Starodub is dropped from the list.

Number 85, Audrey Sunon. Audrey Sunon is dropped from the list.

Number 86, Valdine Johnson. Valdine Johnson is dropped from the list. She spoke? Even better, duly noted.

Number 87, Louise Campagne. Louise Campagne is deleted from the list.

Number 88, Birdlyn Gray. Birdlyn Gray is dropped from the list.

Number 89, Gilbert Barry Nelin. Gilbert Barry Nelin is dropped from the list.

Number 92, Maurice Roach. Maurice Roach is dropped from the list.

Number 93, Patricia Kendall. Patricia Kendall is dropped from the list.

Number 94, Don Munro. Don Munro is dropped from the list.

Number 95, Raymond Vance. Raymond Vance is dropped from the list.

Richard Graydon. Richard Graydon is dropped from the list.

Number 97, Peggy Heinrichs. Peggy Heinrichs is dropped from the list.

Ina Nicholson. Ina Nicholson is dropped from the list.

Number 99, Michelle Angst. Michelle Angst is dropped from the list.

Number 100, Swaran Singh. Swaran Singh is dropped from the list.

Number 101, Jeff Morris. Jeff Morris is dropped from the list.

Turning the page to the top of page 10, No. 106, Orest Fedak. Orest Fedak is dropped from the list.

Number 108, Elizabeth Morrison. Elizabeth Morrison is dropped from the list.

Skip down to 114, Barbara Kelly. Barbara Kelly is dropped from the list.

Number 115, Joan Whyte. Joan Whyte is dropped from the list.

All the way over to, by my count, page 14, presenter No. 159, Barb Shawcross. Barb Shawcross is deleted from the list.

Number 160, Barbara Christie. Barbara Christie is dropped from the list.

The last name, I believe, is No. 184, Oleh Gulay. Oleh Gulay is dropped from the list.

Certainly, just to quickly canvass the room, does anyone feel they've been missed because, at this point, we are looking at an end of public presentations on Bill 45. Seeing no hands, we will assume we have reached the end of the list. Thank you, everyone, for your help, assistance and roles in this important part of the process.

* (18:00)

As this now concludes our list of presenters, we will now move on to clause-by-clause consideration of the bill. During the consideration of a bill, the enacting clause and the title are postponed until all other clauses have been considered in their proper order. Also, if there is agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose. Is this agreed? *[Agreed]* Thank you very much.

Does the minister responsible for Bill 45 have an opening statement?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Yes, Mr. Chair, I do, thank you.

Mr. Chairperson: Please proceed.

Mr. Bjornson: Well, let me begin, ladies and gentlemen, by saying how much I appreciate the efforts that everyone has made to participate in this very important process. We're the only jurisdiction in Canada to hold committee hearings like this. We establish committee times by agreement. We establish the rules by agreement. After going through this exercise, I know all three parties have suggested that we need to work towards improving the process and make it, perhaps, for lack of a better word, more user friendly.

I do want to thank all the presenters, the Clerk's office, the table officers, the pages, and of course, my colleagues from all three political parties who are here at the table today.

Let me start by saying that, as Minister of Education, as the minister responsible for The Teachers' Pensions Act, I accept full responsibility for the current state of affairs in The Teachers' Pensions Act, and I accept full responsibility on behalf of all previous governments who have been stewards of the teachers' pension.

Many of you have shared personal stories to introduce your presentations and, with your indulgence before I discuss a bit more of the bill, I'd like to share my personal experience.

I'd like to start by saying that I am a teacher. I am a real teacher. I honestly thought that I would teach until it was time to hang up the chalk, as I like to say. Things changed. I became a teacher advocate

very early in my teaching career. I attended annual general meetings with many of you who have been in attendance or who are in attendance today. As a teacher advocate, I stood with many of you on the convention floor when the main pension issue was the unfunded liability.

Later, I stood with many of you on the floor to fight Filmon Fridays and Bill 22. I stood on the floor to fight Bill 72, a very draconian act that stripped us of all the collective bargaining rights that we had fought for for over 40 years, stripped with one piece of legislation. For six years, I received a letter from my school division advising me that I might not have a contract and should explore other options. Why was that the case? Well, funding announcements by the government of the day: minus 2, minus 2, zero, zero and minus 2.

What were the results of our efforts as lobbyists of the day? The Filmon government did not address the unfunded liability, and it's been noted that that unfunded liability has been around since 1963 and yes, every government since 1963 has not addressed that unfunded liability until now. When we came into office the liability had grown to \$2.3 billion, with actuarial predictions of an estimated \$8 billion-plus if not addressed over the next 20 years.

Now I've heard many a teacher mention in their presentations that they were locked out during those Filmon Fridays. One example I heard was four days a year. My experience was eight days each year for two years. Bill 72 went ahead, as I said, and 40 years of collective bargaining was thrown out the window. As we lobbied for more funding, thankfully I survived the staffing cuts. I remember the headlines when 242 teachers were cut in one year in May of 1995 because of the funding announcements. I also stood with many of you here today and many who have been here in front of the Render-Dyck commission, the commission established by the Filmon government, whose express purpose was to review teacher compensation under the premise that teachers were overpaid.

Now, people have asked, why were the 10 successive actuarial warnings ignored? I can't speak for governments of the day, but perhaps the issue took a back seat to the issues of the unfunded liability, the Filmon Fridays, the draconian Bill 72, and the funding that cut 800 teachers from the Manitoba public schools over the Filmon tenure in office.

Time and time again, I felt, as a teacher, that I had to defend my profession; that the government was always attacking a profession, a profession I had been very proud to be a part of. It was the actions of the government of the day that inspired me to get involved in provincial politics, and it was the lack of action of the government that has us here tonight. It was the lack of action with 10 consecutive actuarial warnings.

Now, what has been particularly difficult for me to hear, as a teacher, over these many days and nights is the inference that we are not educator-friendly. If we compare records, the first step we had taken as government was to develop a plan to address the unfunded liability. After annual contributions to do so, we put \$1.5 billion into the fund in addition to the \$300 million that were already there; \$1.8 billion to maintain the integrity of account A, the basic pension benefit. Something I'd been advocating with many of you should have been done many years ago. The amount invested into that benefit by the opposition? Zero.

We have opened the pension act five times since we've been in office. The amount of times opened by the opposition? Zero.

We repealed Bill 72, as promised, to restore 40 years of collective bargaining rights. We've increased funding to schools by \$238 million, compared to \$15 million by the previous government in that same time frame. We've put unprecedented funding for school capital. I wish I actually had the total dollar value of our investment in our nine years compared to the previous governments, as that number would be absolutely staggering in comparison—and I hear the members talking opposite. I have listened intently for the last three nights and full day, and I would appreciate the same courtesy. Thank you very much.

I've heard mention of the 1.1 percent increase in pension contributions—thank you, Mr. Briese, for your attention—as being only a 1.1 percent increase. As it has been pointed out by active teachers, that reflects an 18 percent increase in pension contributions. It's 1.1 percent of their salary. Only 1.1 percent amounts to an additional \$16.5-million liability for this government. Coincidentally, that's approximately the same amount of money that the opposition had invested in the entire public school system over the same period of time.

Well, the results of my experience as a teacher: I essentially cut my teeth as an advocate to make our

education system and to make working conditions for teachers better, and I'm committed to do that. The results of many of the actions of members who've presented here this evening—or this afternoon and over the previous three evenings—it's a reflection of their advocacy on behalf of the rights of teachers and public education. I tell you, RTAM and your membership have been tremendous advocates. You have been tremendous teachers and you've served our committees and our schools well. In my tenure, you've been relentless advocates. I've been lobbied in public washrooms. I've been lobbied just about everywhere where I'm recognized as the minister, including funerals. The lobby has been a very strong lobby. We are hearing the message. We understand the issue. We know your concerns.

The plebiscite, there's been much discussion of the plebiscite. When first asked to consider such, I thought it was a fair and reasonable request.

Mr. Chairperson: One minute.

* (18:10)

Mr. Bjornson: The fair and reasonable request by virtue of the fact that we had heard from retired teachers that they supported the recommendations of the Sale report. What the plebiscite did tell us, though, with the results that have been recorded, is the fact that this is a divisive issue. Everyone here who has presented agrees that something needs to be done. Where we lack agreement is on what needs to be done, how it needs to be done, but we know that the when is now.

Again, I'd like to thank you for your advocacy, for your passion, and for being here and being a part of this very important process. You have my commitment that we will continue to work to make improvements for teachers, both active and retired, as we have demonstrated repeatedly over the last nine years, and we will continue to do so as true supporters of public education and educators here in the province of Manitoba.

Mr. Chairperson: We thank the minister for those opening remarks.

Does the official opposition critic have an opening statement?

Mr. Schuler: Yes, I do.

Mr. Chairperson: Mr. Schuler, please proceed. You have 10 minutes.

Mr. Schuler: First of all, I would like to thank all the presenters who endured a very tough process. Their patience that they exhibited was amazing. In all the years that I've been here and from what I know of this Chamber never have we recessed session, then waited for the middle of summer to call a committee to hear presentations. We've sat through the summer and heard presentations but not recessed and then, in the darkness of night, the heat of summer, held meetings. I don't know if that took place. There are those who have been here longer, but from those individuals I've spoken to this is unprecedented.

But you as the public, you as the presenters, great integrity, great credibility, sat through this hour after painful hour. I would like to thank you for that and you waited. Some of you waited a long time, 17, 18 hours, before you had the opportunity to make your presentation.

I'd also like to thank the clerks. Rick, you did a great job. That would be Rick Yarish for those who are wondering. Outstanding job. I'd like to thank *Hansard*, pages, all the staff that have so patiently sat around. We appreciate—I think we would have appreciated it more if this would have been done at a more timely fashion, maybe early fall, but we appreciate those that made this committee move smoothly and freely. We appreciate the efforts they put into this.

This process has been bungled from day one. I listened to what the minister had to say, and you know, I'd have to say to the minister, Minister, it's not about you. This process was not about you, and your whole speech was all about you. It was about the men and women who sat here five, six, 17, 18, 19 and longer hours, through mosquitoes, late into the night, through the heat of a summer day. It was about them, not about you, Minister. Typical politicians, they make it about them.

The history lesson, you could have spared us. What we heard from the public, that is what was worthwhile. That is something that is worthwhile for the committee, and we appreciated it, where facts were brought to the table, where individuals came forward and said, I was part of that process and this is how it went forward. We are here talking about Bill 45 and not some convoluted political nonsense spin about whatever happened before, long before I was at this table. *[interjection]* We heard the minister say he wanted to be respected, to have his

opportunity to speak, I would ask, Mr. Chomiak, if you would extend the same to me.

I've spent a long time—*[interjection]* Mr. Chairman, would you please call Mr. Chomiak to order and tell him, you know, if you can't handle what's being said here, then step outside, but I don't think we need his rudeness tonight at the table.

This process has been on the go for a long time. MTS and RTAM have worked long, long hours, both with great credibility, and they've come to this. It is shocking, I think, for the committee that there seems to be this divide. I don't think it's healthy. We're uncomfortable with it. We hope that these things can be patched over. We hope that, going forward, relations can once again be such that you work as teachers, not as active teachers and retired teachers. But we are where we are today because of a minister and a government that bungled a process. To take a minister who had just retired and stepped out and make him your impartial commissioner or individual who is supposed to look at the entire issue was gratuitous at best. There are a lot of people in Manitoba that could've been tapped on the shoulder who would've done a very good job and would have been held up as impartial.

The plebiscite—you know, even those people who defended outside of elected NDP members—even those that defended outside of that group were doing it with gritted teeth. It was a disgrace and it was a sham. It's terrible. Mr. Chomiak sits and mocks the whole thing, and I'm glad he finds all this funny, because his Premier (Mr. Doer) did this morning on CJOB. They find everything that we heard the last 20-some hours to be one big joke. I don't.

An Honourable Member: Right.

Mr. Schuler: That's right, I don't, Mr. Chomiak. Do you? Do you find this—you've ridiculed me now for the entire time. Shame on you, Mr. Chomiak. Grow up, please.

Mr. Chairperson: Order.

Mr. Schuler: This has been a tough process. It's not been a fair process and we, as an opposition, have gone through Bill 45, and without some amendments, which we would like to bring in report stage, it is not legislation that we can support. We will not be supporting this in report stage. There will be amendments coming forward. We believe that the minister and his government have absolutely bungled

this. It is not the right piece of legislation and we would like to see changes to it. We, however, do respect the fact that the committee has been sitting for a long time and rather than drag this out and let individuals like Mr. Chomiak go even more over the top, maybe it's better if we take some time.

I think we should reflect on what we heard and I know—Mr. Chomiak keeps chirping from his seat. He wasn't here. I was here for the entire process. *[interjection]* Yes, I was. You weren't, Mr. Chomiak. I was. And I think it's important that we reflect on what you said to us, all of the presentations. I think we should take time to reflect on it, all of us as legislators, and then come back in early fall and start looking at the legislation about what is best to do with Bill 45 and that's something we as an opposition will be doing.

Once again, to all of you who suffered through this process, we thank you. You did it with respect and dignity, probably more respect and dignity than was shown at this table. We thank you.

Mr. Chairperson: We thank the member for those comments.

Mr. Lamoureux: Mr. Chair, I'd ask for leave to be able to provide opening comments.

Mr. Chairperson: Is leave granted?

Some Honourable Members: Leave.

Mr. Chairperson: Leave has been granted, the usual 10-minute maximum.

Mr. Lamoureux: Yes, thank you, Mr. Chair. There's so much that I would like to be able to say and I don't know if I'll be able to get it all within 10 minutes, but I know that as we go into the clause by clause, at least at the very beginning, I'll probably just add whatever it is that I feel that I've missed that's important to get on the record. I think it's important to get on the record because we've had a number of people that have made a presentation, and the first thing that I want to be able to do is to offer my appreciation for those that have taken their time to come before the committee. It is a wonderful process in terms of second reading, affording Manitobans the opportunity to come to committee and to express what they have to say about legislation that's passing.

* (18:20)

Having said that, I do want to comment in terms of Bill 45 and how it came into being. I have been afforded the opportunity through my position to get a

better understanding in terms of why we're at where we are today and acknowledge right up front that there is a need for change. I appreciate the fact the Member for Kildonan (Mr. Chomiak) has also talked about that need and the Member for Lac du Bonnet (Mr. Hawranik) has talked about the need for change. I look forward to the day in which we will actually see that change so we can prevent the types of things that occurred during these public presentations.

I want to start off by indicating that there was no need for the legislation to have been brought in in June. I believe the opportunity to have brought the legislation in in September would have been there, and there would have been all-party support for doing that.

Having said that, the legislation was brought in in June. There was a feeling that, by bringing it in in June—I must say, at that time, I was inclined to support Bill 45; I really was. Based on what I was being told by the Minister of Education, based on the vote that was held and conducted by MTS, I was inclined that I would be supporting it.

The idea of having the legislation brought in and then allowing it to go to committee during the summertime, so that presenters would be able to express themselves, I didn't have too much of a problem with that. We had suggested that what we should be doing is having some meetings in July and some meetings in August.

What ended up happening, I think, is unfortunate and I think we need to learn by that. To have all of the meetings, especially when you're dealing with teachers and retired teachers, given how July and August operates traditionally within that particular occupation, I don't think it was advisable to have three or four quick meetings crammed together in the month of July. I think we would have had better service to those that are involved, those stakeholders, to have divided it into the two months.

The other mistake that was made was we did not need to have the meetings go from 6 in the evening to 12 midnight. I and a number of presenters talked about the whole issue of abuse. I think that there is some merit to that. We have seniors who are coming to the building, waiting until midnight. There was even one presenter who said: Who's going to walk me to the car afterwards?

I don't believe that we needed to have the meetings from 6 o'clock to midnight. A more

appropriate time might have been 1 o'clock to 7 o'clock, or something that's far more reasonable. Then, I believe, we would have had better participation in terms of the people coming and making their presentations.

The other issue is how do we accommodate large numbers of people when they're coming before the committee in order to make presentation. When we had 300-plus registered to speak—and it's interesting—we actually had 111, 111 people that actually made presentations from what I understand. I'm anticipating that there would have been 150 where leave was given so that, ultimately, it would be put into the record.

I know for a fact that many—and I might even argue most—would have likely wanted to be able to be here to physically and vocally express their opinion on the bill. Again, because of the process, coming from 6 to midnight and then waiting, I think it's unfortunate that we lost that eye-to-eye contact with Manitobans and those who were wanting to make presentations, because it does have an impact.

It had an impact on me. As I say, I was thinking that I was voting for Bill 45, coming into this. I'll be discussing it further but, I definitely wouldn't be saying that I'm going to be voting in favour of the bill today. It's the presentations that were made which caused me to rethink what it is that I was originally thinking about.

If we take a look in terms of the Francophone community and how we were able to accommodate the Francophone community in terms of coming before the committee and being heard, we said—I think it was on the Wednesday—we're going to listen to what it is that the Francophone community is saying; we had the French service. I applaud that; I think that's wonderful.

We even take into consideration the rural component of the province of Manitoba, but, because there is such a large number of rural members, that didn't even work out all that well.

Could you imagine if you were the fifth person on the list, and because of all the exceptions, you ended up being somewhere around hour 12 or hour 14 before your name was even called? And we wonder why some names were dropped. Well, there needs to be, and there is, a better way. Maybe it's putting a cap, telling an individual that you will be guaranteed to be able to speak on this particular day.

I believe that, if we had a better system and demonstrated more respect for all presenters of all ages, we would have had more people presenting to the legislation. So for those of us that say that this is a good system that we have, well, then, I would suggest to you that we owe it to the system to ensure that Manitobans are treated with more respect in making their presentations.

Mr. Chairperson, I'm not too sure exactly how much more time I have, I wanted to go on to the issue of the plebiscite.

Prior to that, because the minister did talk a lot about the previous government, and talked about what it is that this government has given—I'm not here to defend the Conservatives. I was in opposition when Mr. Chomiak was in opposition, and I'd like to think that I was just as critical as the Member for Kildonan was when they were in government. Having said that, there are some very significant factors that are different. I think what we have to focus our attention on is the bill itself.

Filmon's last budget, I think, was \$6 billion; your current budget is \$10 billion. There's a reason why we are able to spend more money now.

Having said that, we need to be focussed on now, I believe, the presentations that we heard. If you approached it with an open mind, and there were a large number of appeals to the New Democrats in this committee to open their mind and, hopefully, that they weren't just here to go through the process, that they would respect in terms of what is actually being said from the many presenters that did present and the written submissions that we received.

The plebiscite turned out to be a real serious issue. As I indicated, I have no idea why, and I look to the Minister of Education (Mr. Bjornson) to tell why it is that the plebiscite had to be rushed in the fashion it had to be. If the Minister of Education would've approached oppositions or government House leader, these things could've been worked out. I think that all of us would have liked to have ensured that the process of allowing for—

Mr. Chairperson: One minute remaining.

Mr. Lamoureux: —thorough debate and discussion on the Sale report was critically important and that we would have supported that. By not doing that, Mr. Minister, I think that it caused a number of other issues that I would like to talk about.

I'm going to conclude on that point, and I'll pick up once we go into the clause by clause, where I'll probably give my concluding remarks. I'm sure I can get it done within the next 10 minutes. Thank you, Mr. Chair.

Mr. Chairperson: We thank the member for those comments.

Speaking of clause by clause, shall clauses 1 and 2 pass?

Mr. Lamoureux: Yes, Mr. Chairperson, as I indicated, I would like the opportunity just to be able to finish with some comments that are all relevant, and then I can assure the government, as opposed to waiting at the table or looking at each specific bill, if they'll endure maybe about another six or seven minutes, or possibly 10, then I'll be done. Then you can continue to pass the motions.

So I want to continue on, and I do think it would help facilitate, ultimately, the bill clause-by-clause passing, because this will be the last time that I'll provide comment on the bill.

Having said that, Mr. Chairperson—

Mr. Chairperson: Sorry, just to be clear, so everyone knows, you are within your purview to make a presentation. Technically, it will be on clause 1 and clause 2.

Mr. Lamoureux: Which is wide open.

Mr. Chairperson: Yes, there you are. Please proceed.

Mr. Lamoureux: Mr. Chairperson, I'm trying to be generous. Having said that, the plebiscite, there were some issues that were raised in regard to the plebiscite. On April 22, the minister made a decision that we have a plebiscite. On May 13, the ballots were actually mailed out, and then on May 26 at 12 noon your vote had to be in. There are issues that come out of that. There are individuals that did not receive the ballot in time. There are individuals that didn't receive a ballot, so we're told. Again, this is all through presentations.

* (18:30)

There are a great deal of concerns in terms of what sorts of resources were there for both sides of the arguments, if you like. Was there fair representation? These are all concerns that I think the Minister of Education (Mr. Bjornson) needs to expand upon, whether it's this evening or during third

reading. I think that those are types of responses that we look to the minister to address the concern because it was raised by so many people that made presentation. The numbers, well, I'll leave the minister to comment on that.

Obviously, there is some concern with regards to me and the numbers that actually did show up. I think that it would be interesting—we had one presenter that posed the question how many ballots came late and were not counted? I think that's a valid question and I think he had indicated that he requested that both the Department of Education and MTS, if the government knows that, why wouldn't they share that kind of information?

I think that the government needs to indicate what it feels could have gone better. We even had presenters that support Bill 45 that expressed concerned in terms of how quickly the plebiscite was pushed through.

There are three issues that I want to express regarding the unfunded liability. I believe that there was government neglect in dealing with that issue. We heard a lot about the consequence of the government bringing in early retirement and nothing from the government in terms of what responsibility it had there. The government was negligent by not acting sooner. On that particular point, it was the past president of MTS that had indicated, and I believe what he had said was that the government in 2003 was provided a briefing saying that they need to deal with this but the government said, well, you don't have the Retired Teachers' Association on side so were not prepared to support it. I don't think it was a coincidence that that happened to be an election year.

Then, a few years later, in a lead-up to an election, you appoint—you don't approach, whether it's the Retired Teachers' Association, the Manitoba Teachers' Society to be the best of my knowledge and say, who should we appoint to deal with the pension issue. Instead you appoint a current Cabinet minister that had indicated that he was not going to be seeking re-election which calls into question. You definitely created a great deal of optimism. I suspect there was a lot of retired teachers that really said, hey, this government is really going to try to fix the problem. There's no doubt in my mind, at least based on the presentations that I heard, that they felt that the government was prepared to deal with the COLA issue. In their minds, Mr. Minister, dealing with the COLA issue meant that they were going to get a decent COLA coming into the future.

Then we get the Sale report which, obviously, comes out after the election. Then we come into the committee where the government has adopted Bill 45. I would have thought as minister—there was one presenter, Mr. Ulrich, and I trust I'm pronouncing his name right. As an individual it seemed to me that had an incredible experience and background—*[interjection]*—Tom Ulrich—in dealing with this issue, and I posed the question if he had ever had a discussion with the Minister of Education (Mr. Bjornson) in regard to this. I would have thought that the Minister of Education would have gone to an individual of this nature.

It just seems to me that the Minister of Education had his own agenda, and that's the reason why he was so rude and abrasive to the Retired Teachers' Association. I can't believe that, you know, there were allegations of threats, that the Minister of Education threatened the Retired Teachers' Association. We'll have to go over the *Hansard* just to find out exactly what was said, but it was fairly clear to all committee members that very strong allegations—and I want to be sensitive, you know, for the Member for Kildonan (Mr. Chomiak), who I know is listening very carefully. It was very strong allegations that the Minister of Education, through threats—and I'm putting it mildly compared to how it was actually presented, and the Minister of Education knows what I'm referring to.

Well, it seems to me that the Minister of Education knew what it was that he wanted, and the plebiscite was more of a belief that, if we call a quick plebiscite, it will just reaffirm what I need so I can use it as a tool in order to advance my bill. I'm sitting back here, and the presentations that I'm hearing, and the comments, that's the impression that I've been given. As I say, when I approached him, when I came into this committee, when my leader had asked me, well, would I sit in, I welcomed the opportunity because the pension issue is something which I wasn't maybe as familiar as I should have been with it over the years. Now I'm glad that I did because now I have a much better understanding of the issue, and I owe that to the presenters.

I'm looking for answers from the Minister of Education. I trust that once we do get into the third reading of this particular bill, the Minister of Education—and he will have the leave, at least the leave I believe of the Chamber, to take as much time as it takes, not to bash former governments, but to explain and provide comment to the many presenters that came forward and levelled concerns. I've only

touched on a few of them, Mr. Chairperson, but I hope the Minister of Education will take the time in third reading and address those concerns because I suspect that whenever third reading does occur, there's going to be a very good chance that there's going to be a huge amount of public interest.

I would conclude my remarks by indicating that there were a number of presenters that seemed to be very passionate, and they've talked about their political background, whether it was individuals like Linda Asper or others that made reference to some of those NDP icons, asking the government—

Mr. Chairperson: One minute remaining.

Mr. Lamoureux: —to reflect and to do the right thing. I would suggest that that be mandatory reading for the NDP MLAs over the next couple of weeks.

Thank you, Mr. Chairperson, and I appreciate the committee's patience in listening to me. Thank you.

Mr. Chairperson: Very good.

Clauses 1 and 2—pass; clauses 3 and 4—pass; clauses 5 and 6—pass; clauses 7 through 9—pass; clause 10—pass; clauses 11 and 12—pass; clauses 13 and 14—pass; clauses 15 and 16—pass; enacting clause—pass; title—pass. Bill be reported.

Final note of thanks to all involved.

The hour being 6:40, committee rise.

COMMITTEE ROSE AT: 6:40 p.m.

WRITTEN SUBMISSIONS PRESENTED BUT NOT READ

My name is Elizabeth Ilott, a member of RTAM—Retired Teachers' Association of Manitoba. I appreciate the opportunity to make a presentation in support of RTAM's opposition to Bill 45, in particular because the Sale report recommendations are included as a package. For example, the 10-year delay in discussions to develop a long-term solution to the COLA—cost-of-living allowance—funding problem is most worrisome for long-time retirees.

As a member of that generation of retirees, I have experienced a loss of income since I retired in 1987. I had taught for 20 years, holding an arts degree for the last 11 years of my career. I knew I was not entitled to a very large pension from TRAF—Teachers' Retirement Allowances Fund. However, at that time, I was receiving a Canadian Forces widow's pension that contained a cost-of-living adjustment.

Both pensions paid approximately the same monthly amount in 1987.

Trusting that my TRAF pension would also keep pace with the cost-of-living increases, I believed my future was financially secure. Unfortunately, 21 years later, due to an inadequate COLA, my TRAF pension has fallen behind the Canadian Forces pension by \$200 per month in recent years. Consequently, the financial security I had anticipated has been diminished by \$2,400 a year.

It is unacceptable to me that our government, by passing Bill 45, would be postponing discussions to develop a long-term plan to solve the pension COLA funding issue. A 10-year postponement would not be in the best interest of retired or active Manitoba teachers.

Elizabeth Ilott

* * *

I understand that there was a poor response to the letter asking teachers to vote on the Tim Sale report. I believe that the letter sent to us should have had a lot more detail about the changes recommended and made very clear about how it would affect our pension. I don't know who to blame for this poorly written letter, but I feel that whomever is responsible for the letter should be severely reprimanded.

I'm not in favour of having my cost of living reduced. I believe that, if the government wants to change our cost-of-living index, the teachers already on pension should be grandfathered in. I don't want to see my pension buy less and less every year that I have retired. For example, gasoline has jumped up very quickly, and the goods that we buy will increase because of this.

I don't know what inflation will be this year or the following years, but I'd like to feel secure that my pension will keep up with inflation. If, on the other hand, we are to lose our COLA, as you call it, I think that all government of Manitoba employees should have their pension reduced, not only teachers.

Our government seems to have millions of dollars for an arena, football stadium, new museum, et cetera, but none for our retired teachers. If the government were to cut down on spending, I feel that they would have lots for the teachers' pension and I would have a pension geared to inflation, making me

feel good about my pension plan. Thank you for listening to my plea.

Edward Belliveau

* * *

Members of the Legislature and all interested parties here: Thank you for the opportunity to address you this evening. I am managing financially myself but I do know, for a fact, that there are others who can not. I'd like to speak on their behalf.

I strongly feel that in order to arrive at a fair and just solution for the deteriorating COLA, more weight should be put on discussions with the Retired Teachers' Association than on those who are actively teaching, as they may not necessarily understand the situation that will face them in the years to come.

We paid for our COLA for protection from inflation.

Dorothy Troop

* * *

Hon. Gary Doer, Premier, Members of the Manitoba Legislature, I am writing to express my frustration and disappointment at the Sale report.

I am retired from teaching for the past 15 years. My retired fellow teachers in Ontario, with similar qualifications as myself, are appalled by my low pension, due to the deteriorating cost-of-living allowance.

I am a single person. I do not share living expenses with a spouse. There is no income-splitting for me. With the rising cost of living, each year becomes financially more difficult.

For all the dedicated teachers who are now retired and were so committed to the education of children, we do deserve a better retirement life without financial worries. I feel that the Manitoba government does not value their teachers.

Evelyn Tycholiz

* * *

Subsequent to my phone call to the Clerk's office, asking to have my name placed on the list of speakers to Bill 45, I realized neither my wife nor I would be able to attend.

Being retired teachers of some 14 years, we have experienced considerable reduction in our standard of living due, we feel, primarily to the failure of the

government to live up to its obligation, previously negotiated, to see that COLA commitments are met.

Tim Sale's recommendations do not result in a long-term and fair solution to the COLA problem. It—his plan—is simply not good enough. The proposed funding is minimal and the proposed maximum two-thirds COLA is a benefit reduction. We paid for inflation protection and we do not have it.

Together, my wife and I have spent 54 years teaching in Manitoba. We feel we are entitled to a fair COLA and the MTS plan does not give us that. We will, therefore, continue to support the Retired Teachers' Association of Manitoba in opposition to it.

Yours truly,

Don McDonald
Tanis McDonald

* * *

My name is Daniel Kiazuk and I am a high school Social Studies teacher in Rolling River school division and the president of the Rolling River Teachers' association.

I am here to show my support for Bill 45, with its amendments to our pension plan.

Without a doubt you have already heard many presentations on the question of teacher pensions, particularly those that have focussed on the cost-of-living adjustment or COLA paid to retired teachers. I will not go into the history of the plan in this presentation nor the reasons for current situation, which I believe are agreed to by everyone. I do, however, want to discuss an issue that has been mentioned repeatedly by RTAM prior to and following the plebiscite—and more than likely you'll hear it hear at committee—and one which I believe is not well understood and needs to be clarified for this committee. The issue I am referring to is the question of the new entrant shortfall with regards to our retirement plan.

When people talk of the new entrant shortfall, there is often an impression given that somehow retired teachers are subsidizing new teachers. The implication is that if only new teachers were putting the money into the plan that they should, we wouldn't be having these problems we all agree exist with respect to the plan. I find it ironic and disappointing that some people would seek to lay the responsibility for our current funding problems on

those who are least responsible, but that is exactly what is happening.

It is true that new teachers are not paying enough for the pension they will receive upon retiring. MTS has tried to rectify this situation by requesting that active teachers be allowed to increase their contributions to their retirement plan. Government agreed to a significant increase in 2005. At that time contributions rose about 18 percent, or 1.1 percent of teachers' salaries. MTS has repeatedly requested another large increase of about the same amount, but government, for reasons I don't pretend to understand, has not agreed to allow for another increase in contribution to the plan.

It is good that active teachers are paying more for the pension they will receive, but what about retired teachers? The contribution level most retired teachers paid into their plan was set around 1980. But the benefit levels, also set around 1980, were significantly improved over the next 15 years. We also saw teachers retiring earlier and receiving better benefits, even though they never paid any additional contributions into the plan to cover the cost of those improvements. Unlike active teachers, who are being asked to pay increased contributions, there is no way to get additional contributions from retired teachers.

Our plan has a funding shortfall, not a new entrant shortfall. New teachers aren't paying enough, though I hope they soon will be. Retired teachers on the other hand never paid enough either, but there is no way they will ever be asked to contribute another dime into the plan.

I want it clearly understood that when people talk about retired teachers subsidizing active teachers they are not looking at the bigger picture. Moreover the idea that retired teachers are somehow entitled to the money in account A because of this is dangerous and risky. The A account guarantees our basic retirement benefit upon retirement.

I recognize the difficult situation retired teachers are in with regard to COLA, but they also got a very good deal when their benefits were improved with out a contribution increase to pay for those improvements since 1980. Certainly new teachers must pay more to cover their share of the unfunded component of our pension that now exists and we hope government will agree to work with us to resolve this issue in the near future.

Nonetheless Bill 45 as we see it is an equitable and even-handed approach to the issue of balancing an

increase in COLA and guaranteeing the fund for teachers who are present paying into it. This Bill is balanced and reasonable and I believe its speedy implementation is in the best interest of everyone.

Thank you for your time.

Daniel Kiazuk

* * *

Although I had hoped to present my concerns re: retired teachers' COLA and the Sale report, I find the cost of gas and my diminishing pension value forces me to present to you via e-mail.

After 33 years in the classroom I retired, unaware that the monies I has paid into my pension fund for full cost-of-living adjustments were not to be forthcoming. Indeed, while the Manitoba Teachers' Society works to represent active teachers, it has definitely proven itself a worthy opponent to retired teachers. MTS, in presenting retirement information to those considering leaving education, failed to inform us of its position not only to exclude retired teachers from pension input, but also to sabotage retired teachers re: full COLAs.

RTAM has become, for so many of us, a strong political force and an unwavering voice in our opposition to MTS and the provincial government who, sadly, has aligned itself to MTS while ignoring the rationale and the growing power of RTAM. We retired teachers will continue to fight the injustice of inadequate COLAs, for we experience first hand, on a monthly basis, the ever-growing disparity between our pension value and the increasing cost of living. Who would have thought that three years of retirement would have seen such pitiful cost of living adjustments, and have forced me into a 1/4 time job to supplement what I had paid into full COLAs?

We have to work to inform active teachers so they will be face retirement knowing that month by month, their pension will not provide adequate income, even though they pay, month by month, extra monies to ensure an adequate retirement pension. One has to question the validity of active teacher input into the MTS plebiscite since they are, for the most part, unaware of the conflict between retired teachers and the MTS. We also have to continue our opposition to MTS, an organization clearly opposed to retired teachers and who, in their arrogance, feel they can manage and control our pensions as they so desire.

Lastly, retired teachers will be forced to take their just cause into the political arena come election time if the government cannot see the injustice of the COLA issue, and the impossibility of asking retired teachers to wait a decade before receiving their rightful full cost of living allowances.

Margaret Hamilton

* * *

I am unable to attend the hearings on Bill 45 but would like to voice my concerns.

This Bill ignores the past history with respect to the original framework of the COLA agreement. It is as simple as that.

The proposal put forth by Tim Sale's granting up to two-thirds of the cost of living guaranties nothing, not to mention that it is not the 100 percent as per the original promise. Up to two-thirds means it could be as low as zero.

Also there seems to be a severe reluctance on the part of the MTS to educate the active teachers on the perils of not maintaining a healthy pension base. Upon retirement, these people will be quite shocked to see how the purchasing power of their hard earned pensions will have been eroded.

Thank-you,
Eugene Yarish

* * *

Please accept this document as my submission and response to the COLA question as addressed in the Sale report.

I am currently a member of RTAM as I retired from my position as a social work clinician with Child Guidance Clinic in 2002. I attended Winnipeg Teachers Association meetings for many years as the CGC. staff committee representative and was always impressed with the association's ability to listen to different points of view and reach for consensus on issues. I am very saddened by the conflict and division that now exists between the retired teachers and the active teachers associations. I am having great difficulty understanding how and why the government and MTS justified holding a plebiscite with taxpayers money and with no input from the retired teachers who had the biggest stake in and were going to be the most affected by the outcome. RTAM was informed that a plebiscite would be held but had no input into the question or into the misleading information that accompanied the letter

sent to both active and retired teachers. I had conversations with several active WTA members and was informed that they thought there was a guarantee that we would receive a two-thirds COLA over the next 10 years, which is absolutely false. I care about the loss of real income but I am also hurt and confused by the actions of this government and by MTS.

I attended the first public hearing on this bill on Monday evening and believe that the committee has heard about the problems faced by retirees with an inadequate COLA for the past seven years and, even more frightening, with absolutely no guarantee in this Sale report that the next 10 years will not continue with the same inadequate COLA. The loss of real income over 10 years coupled with the looming threat of inflation and a recession makes it difficult to plan and make decisions about the future. Can we afford to stay in our house or do we sell and move to an apartment? In the absence of any guarantees of adequate protection against inflation we cannot know that what seems affordable now will be affordable even in five years.

Please understand that we retired teachers believe that the difficulties with the COLA have been the result of 1) poor decisions by the government's and their failure to contribute their agreed upon share to our pensions and instead accumulated an unfunded liability 2) the decision to ignore the auditor's warnings over the years that the COLA fund was in trouble and 3) the active encouragement given to teachers to choose early retirement given by school divisions. Please note that retired teachers should not have to bear the consequences of these poor decisions alone. Poor decisions continue to be made. Why has the current government refused the active teachers recent request to increase their pension fund contribution by 2 percent and instead only allowed 1.1 percent, an amount which will not adequately fund their pensions in the future? I heard a MTS representative at the hearings on Monday state that the current active teachers should not be responsible for funding retired teachers full COLAs. We agree but argue that we contributed to funds to give full COLAs to teachers who retired before us. We are asking for negotiations on an adequate COLA and are quite willing to compromise on the percentage but are very unwilling to settle for a formula which gives no guarantees of the least amount but puts a cap on the most amount. If this bill passes we can receive very little COLA in difficult financial times but in good times we could only receive a maximum

of two-thirds. Why are retired teachers being blamed for refusing to accept such a decision? We have had the distressing experience of COLA protection based on availability for the last several years and this experience has demonstrated the need for guarantees. Speaking only for myself I would have been very willing to accept a two-thirds COLA that was guaranteed with the promise of an increase should the pension fund ever be able to afford it. This would allow me to plan realistically for my future with some confidence in making decisions rather than the uncertainty and fear I am currently feeling.

Margaret Milton

* * *

I respectfully request that you forward this to all members of the Manitoba Legislature.

I have a need to express my opinion to the Standing Committee hearings on Bill 45 and to support the retired teachers of Manitoba—RTAM—opposition to Bill 45.

I am a member of RTAM and I receive a small pension, for the 16 pensionable years that I taught in Manitoba. It constitutes a large percentage of our present income. The purchasing power of this pension is being eroded steadily because of the lack of an adequate COLA.

I worked for several years as part of the MTS leadership team and I thought very highly of the MTS personnel at that time. That is why I cannot understand the parsimonious and very unfair actions of the present leadership. I disagreed with the government of the day on some things but I thought that our bargained positions, once accepted, would be adhered to by basically honourable people.

The action of the present government in denying a fair COLA as proposed in Bill 45 shows how far this government and previous ones have strayed from this concept of fairness. Despite actuarial warnings these governments have failed to adequately invest in a fund that would guarantee a COLA that was promised to the teachers as far back as the 1970s.

Another short term fix is now proposed for the next 10 years while present pensioners see their income eroded with no hope of recourse and fairness. I cannot understand the logic or the inherent fairness of this move, or even the economic long-term benefit.

Before you, the person presently entrusted with the affairs of the people, vote I urge you to better

acquaint yourself with the whole history of this question and about the promises made to teachers. Hundreds of thousands of dollars were paid into the retirement fund on the promise from government that a COLA would be in place when they retired. Subsequent governments have failed to honour this guarantee. The dedication to their profession and their trust in government to adequately fund a fully-indexed retirement fund has been sabotaged by two or three amendments contained in Bill 45.

I agree with the RTAM position that the Sale package of recommendations should not be endorsed. I also agree that the plebiscite was unfair. Why was RTAM not included in the discussions leading up to the vote? MTS does not adequately represent the retired teachers. What was the hurry in conducting the vote? I returned my ballot the same day I received it but it would have arrived too late to be counted. My husband did not even receive a ballot since his pension was considered too picayune to be regarded as important. How many more like my husband and I were disenfranchised? Would the vote have been only 48 percent opposed or would it have been 52 percent if the government had involved the RTAM, those retired teachers who are immediately affected?

The COLA is still underfunded and lump-sum funding and/or a long-term funding plan is needed.

RTAM is not insisting 100 percent CPI COLA as the Sale report, MTS, and the government have declared. RTAM has stated that when there is a commitment to long-term funding solutions RTAM is prepared to discuss reduction in COLA

RTAM asks for the following:

1. For fairness and equity in the short term:

That only the better-of method of crediting interest to the PAA, with a three-year moving average backdated to 2005, without conditions attached, be enacted now.

2. For fairness and equity in the long-term:

That a commitment, with a memorandum of agreement, be made to resume good faith discussions to deal with long-term funding solutions and/or a plan for long-term funding.

Please defeat the proposed amendment to Bill 45 to ensure a fair and equitable pension for a generation of retired teachers who are not receiving what they bought and paid for, due to inaction by government

for 30 years in dealing with the adequacy of funding of the plan.

The Sale package contained in the amendments and their implementation in Bill 45 will reward the two parties named in The Teachers' Pensions Act and the Government for their own inaction. The retired teachers will be sacrificed, with decreasing pensions because of this inaction, and the present government will be party to the ongoing hardship for the retired teachers and many of whom were government supporters.

Respectfully

I. Jean Tully

* * *

I respectfully request that you forward this to all members of the Manitoba Legislature.

I wish to express my opinion to the Standing Committee hearings on Bill 45 and to support the retired teachers of Manitoba—RTAM—opposition to Bill 45.

I am a member of RTAM and I receive a small pension, however I did not receive a ballot to vote in the recent plebiscite. My wife started teaching in 1944 at a salary of \$62.00 per month. Her 16 years of teaching has resulted in a modest pension in 2008 dollars, based on the salaries as paid in the period up to the mid 1970s. The purchasing power of this pension is being eroded steadily because of the lack of an adequate COLA.

I left a job paying \$10,000 in 1970 to become a teacher at a starting salary of \$7,000 annually. When Ed Schreyer became Premier I was head hunted by the government to supervise the development of co-operative agricultural and other businesses. I was attracted by the philosophy of social democracy and fairness to all business, workers, professionals, young families and retired people.

The action of the present government in denying a fair COLA as proposed in Bill 45 shows how far this government and previous ones have strayed from this concept of fairness. Despite actuarial warnings these governments have failed to adequately invest in a fund that would guarantee a COLA that was promised to the teachers as far back as the 1970s.

Another short term fix is now proposed for the next 10 years while present pensioners see their income eroded with no hope of recourse and fairness.

Is this fair to a generation of dedicated professionals?

I implore the MLAs to better acquaint themselves with the whole history of this question and about the promises made to teachers. Hundreds of thousands of dollars were paid into the retirement fund on the promise from government that a COLA would be in place when they retired. Subsequent governments have failed to honour this guarantee. The dedication to their profession and their trust in government to adequately fund a fully indexed retirement fund has been sabotaged by two or three amendments contained in Bill 45.

I agree with the RTAM position that the Sale package of recommendations should not be endorsed. I also agree that the plebiscite was unfair. Why was RTAM not included in the discussions leading up to the vote? MTS does not adequately represent the retired teachers. What was the hurry in conducting the vote? My wife returned her ballot the same day she received it but it would have arrived too late to be counted. How many more like my wife and I were disenfranchised? Would the vote have been only 48 percent opposed, or would it have been 52 percent if the government had involved the RTAM, those retired teachers who are immediately affected?

The COLA is still underfunded and lump-sum funding and/or a long-term funding plan is needed.

RTAM is not insisting 100 percent CPI COLA as the Sale report, MTS, and the government have declared. RTAM has stated that when there is a commitment to long-term funding solutions RTAM is prepared to discuss reduction in COLA

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That a commitment, with a memorandum of agreement, be made to resume good faith discussions to deal with long-term funding solutions and/or a plan for long-term funding.

Please defeat the proposed amendment to Bill 45 to ensure a fair and equitable pension for a generation

of retired teachers who are not receiving what they bought and paid for, due to inaction by government for 30 years in dealing with the adequacy of funding of the plan.

The Sale package contained in the amendments and their implementation in Bill 45 will reward the two parties named in The Teachers' Pensions Act, the MTS and the government for their own inaction. The retired teachers will be sacrificed, with decreasing pensions because of this inaction, and the present government will be party to the ongoing hardship for the retired teachers and many of whom were government supporters.

Respectfully

Kenneth B. Tully

* * *

My support is definitely for RTAM's position on Bill 45. I want a fair and equitable solution about the COLA for retired teachers.

My name is Judy Olmstead-Cross. I have been a retired teacher now for the past two years. I dedicated 29.5 years to educating children in the province of Manitoba. Countless hours of my time were spent providing the best education for the students in my classrooms. Many other hours went into volunteering my help with extra-curricular activities involving these children. During these 29.5 years, I paid my dues to MTS, faithfully believing that this organization was looking out for my best interests throughout my career and finally into my retirement.

I was divorced in 1993. I have had to support my two children and myself on a class 4 salary for the last few years before my retirement in 2006. These years were very hard for me financially. My children are adults now, have left home and I am living on my teacher's pension. I am finding it a worry at times, especially now with gas prices going up as well as food, hydro and sewer charges. The teacher's pension does not allow for many extra frills.

So here are the facts for me. Things are tough and I can only see it getting tougher to live on our basic pension especially if the COLA issue is not addressed. I have already said that I definitely support RTAM's position and I want a fair and equitable solution for retired teachers. Yes, I did pay into those tens of thousands of dollars for inflation protection and now in my retirement, I need a decent

COLA in order to keep up with inflation. I paid for it; now I need it.

I oppose Bill 45. Our COLA has been underfunded for years. If we sit on this issue for another 10 years, where will our COLA be by then? Will it be forgotten about like the pension plan was for the last 20 years? A fair COLA resolution for retired teachers means a long-term fix now and it must include significant measures for funding.

I am really angry with our MTS for allowing this to happen. It was their job to take care of our money and invest it for our future. It was also their job over the 20-25 years to keep on top of the pension situation and advise us if changes needed to be made. I was preoccupied with my duties of the classroom and put my faith in the pension committee to do their job of taking care of pension issues. I see that was a big mistake. I never imagined that I would be faced with this situation after retirement. This is not enjoying retirement years, this is adding unneeded stress.

I also wonder why the government did not support the agreement of 1977. The government was to match dollar for dollar the funds the teachers paid into the pension plan. That's what they agreed to, so why did it not happen? We would not be in this situation at this time if the government followed through on the agreement. In the other provinces of Canada, their governments have matched the teacher's contributions and they seem to be fairing much better than the retired teachers of Manitoba. It is all about money. Money that was paid into the pension plan and which is now being denied to us. Denied when we are totally aware that there are many retired teachers living under the poverty line. This is not fair, not just and absolutely horrible. To hear that you are unwilling to develop a plan to solve the COLA problem when other provincial government have already successfully done this, makes me even more annoyed. Why can't the Manitoba government take action on this issue?

Another issue that really upsets me is the plebiscite. RTAM was not a part of the plebiscite, yet it is all about retired teachers and the funding of our COLA. Why were we not included? This is definitely not fair play. We have a right to a voice on all decisions concerning our affairs. And I ask why were 15,000 active teachers voting on the COLA for 11,000 retired teachers? This issue is the concern of retired teachers. We are most directly and immediately affected by changes to the COLA provisions, but we

do not have the ability to make adjustments as active teacher do. I also know that many active teachers had little knowledge of what they were voting on and that is also true of many retired teachers. This plebiscite was sent out near the end of the school year when teachers are very busy. Little time was given for active or retired teachers to get really informed about Bill 45 before they had to send in their ballots. The result, 52 percent yes and 48 percent no, a 497 vote difference, is a slim majority. The government has no moral authority to proceed with the implementation of the Sale recommendations based on such a slim majority. The vote would have been very different if all pension plan members' ballots would have arrived on time and been counted. This again is not fair play on the part of MTS.

I repeat again that I definitely support RTAM's position opposing Bill 45. Retired teachers paid for a COLA. I want to see a fair and equitable resolution of the COLA problem worked out by the three parties involved: the government, MTS and RTAM.

Submitted by Judy Olmstead-Cross

Retired Teacher

* * *

My name is Roslyn Roberts. I taught for 33 years in the St. James-Assiniboia School Division. Most of my teaching was in the Early Years as a classroom teacher, resource teacher, and Reading Recovery teacher. I spent the last five years teaching kindergarten and am now retired. I am a member of RTAM.

I oppose Bill 45. This bill's amendments implement the Sale report package of COLA and COLA funding recommendations. There are many problems with this package.

The Sale report does not address the fact that the COLA is seriously underfunded. This underfunding is a long-term issue starting way back in 1977. In 1977 when the COLA was put in place, there were retirees who had never contributed funds to pay a COLA but were all of a sudden eligible to receive one. The plan was that active teachers would pay half of a COLA to retired teachers and the government would pay the other half. The plan was dependent on the good will of one generation of teachers to fund the COLA for the preceding generation.

Most of us here were those active teachers back in 1977. I have a good memory and I certainly don't

recall anyone complaining about paying for a COLA benefit for our retired colleagues. However, today in 2008, given the very disturbing, unprecedented and stressful division between the retired teachers and the current MTS leadership, I think a lot of us are very concerned that we perhaps can't rely on good will due to the serious lack of leadership in our own Teachers' Society. Therefore, I don't think a benefit as important as COLA should be so dependent on good will. Should it not be defined structurally and sustainably as a benefit within the plan?

Another problem with the Sale report is the mistaken comparison of the teachers' pension plan with the Civil Service Superannuation Plan. On page 9 Mr. Sale talks about an appropriate goal for COLA of two-thirds CPI, capped at 8 percent CPI. He says that this will largely mirror the Civil Service Superannuation Plan which provides for COLA up to two-thirds of CPI, subject to available funding. There is an error in Mr. Sale's comparison. As a teacher, I paid 16 percent of my pension into the indexing account while the civil servants only paid 10 of their pension into a similar account. When the COLA was put in place, teachers gave up the disability pension requirement and we funded our own long-term disability plan with no government contributions. We have collectively paid more than civil servants and were led to believe that this was for our benefit in the long run. That was the deal, and this was the expectation of all of us who worked during those years and contributed to the PAA so that the retired teachers at that time would have inflation protection. Now we are retired. So where is the COLA for us?

A further disturbing element in the Sale report is the fact that this is a 10-year cap forced upon us. Many of our older retired teachers will not be around in 10 years. Some of these people, especially single women who had a modest pension to start with, are really having trouble making ends meet financially. Their stories bring tears to my eyes. Do we want them to have to live in poverty for their last few years? The problem is serious now but think about how much worse it will be if left for another 10 years.

Another very troubling issue is the recently conducted plebiscite. The whole process was a sham. At 52 percent yes and 48 percent no, this is a very slim majority of 4 percent or only 497 votes.

Retirees were at a serious disadvantage. Many older people found the information confusing and had difficulty obtaining clarification. Working teachers

and us newly retired teachers are more used to using the Internet to gather information and communicate with our peers. Many older people have no access to computers and could not study the Sale report. The turnaround was too short for many people to gather information. People who live out of Manitoba received their ballot so late that they couldn't respond by the deadline and therefore didn't return their ballots. Some of our most vulnerable and fragile retirees are unable to manage their own affairs. They rely on someone with power of attorney to conduct their business. In many cases, those ballots were never returned as their power of attorney would have no knowledge of the issues in order to vote. Given these problems, it would be extremely foolish and dangerous of the government to assume that they had a mandate to proceed, given the numbers and the many problems with the plebiscite.

The worst part of this whole mess is that as a teacher I, as did others here today, worked hard to try our best so that the children who were most vulnerable were treated well. Sometimes besides teaching them and re-teaching them, this meant feeding them, clothing them, driving them, hugging them, showing them that someone cared. Now that I am aware of the extreme financial difficulty faced by our older retirees, I am sad that people who have given much in their working years are in such dire financial straits. Jimmy Carter said: The measure of a society is found in how they treat their weakest and most helpless citizens. In Manitoba the weakest and most helpless of the teachers, the elderly pensioners, are being treated badly. I am scared of the future I see ahead for me.

Thank you for this opportunity to speak today. I am hoping that common sense and good judgment will prevail and that the government will be willing to go back to the bargaining table and include the RTAM in their discussions so that a better solution can be found.

Roslyn Roberts

* * *

My name is Maria Nickel. I have been a teacher in the Interlake School Division for the last 7.5 years, assigned to a small rural school, Woodlands Elementary School. I have been collective bargaining chair for the last two years in my association and I am going to continue in my second year as the president of the Interlake Teachers' Association. But today, I am here to talk to you as an active teacher. I

am not interested in paying more to cover the mistakes that were created from both the teachers and the governments in the past. I am here to provide my support for Bill 45.

In the days of high interest rates and more active teachers contributing to our pension plan, pension benefits were improved, including earlier retirement. Full cost-of-living adjustments were also paid out but, as the years continued, warnings from actuaries were given that the plan could not continue to afford to pay a full COLA. An error was made; 100 percent COLA was paid through the 1980s and up to 1998. The problem was that there was more money being paid out in COLAs than there was coming in to pay for those COLAs. In addition, for many years, MTS approached the governments of the day to ask that there be increases in the amount that was being contributed by active teachers to our pensions, but government never acted on this, not until September 2005.

Where are we at now? Am I going to have enough in my TRAF for me to live a comfortable lifestyle when I retire? The answer to that is, I don't know. That is why I have been putting money away into my own RRSPs and investments to help supplement my pension plan. I want to be secure in my financial future. My financial planner has indicated to me that I am on the correct path towards that goal and that my pre-planning will assist me in my desire to retire without worries.

In order for today's retired teachers to receive a full COLA, one of two things would have to happen. One, there would have to be an additional increase in active teachers' contributions that would most likely see me pay an additional \$3,000 a year to this pension plan. I am here to tell you that I can't afford that. You should also know that I am the primary income earner in my family. To ask me to pay that much more means my husband and I will run into financial difficulties and be unable to make basic living needs. It may mean cutting back on our RRSP contributions in order to make ends meet. That is not going to happen.

Another suggestion has been to take the money out as lump-sum transfer from the basic plan account. If this were to happen, it would most likely put my current pension plan in jeopardy. A move like that could, in fact, reduce the basic amount or the benefits that the pension plan is currently paying. That is also not an option or a risk I am willing to make. If one of

these two things were to become a reality, I would seriously have to consider what options there were for my future and my family.

Bill 45 is a fiscally responsible option. It will provide an immediate improvement to the COLA for retired teachers this year, without causing an increase in contributions for active teachers or the government. It is my opinion that, while full COLA was paid out in the past, it was never a guarantee, as RTAM has been continuously stating.

RTAM has said in public that they have paid for COLA and they should get it. They may have paid for COLA, but they never put in a plan to sustain COLA and that is the main focus of this argument. No one took the time to look at what the improvements of the '80s would cost in the future as active teachers declined in numbers and retired teachers lived longer than the years they paid in.

At the core of this issue are the numbers. Bill 45 is based on sound financial information and what is in the best interests of the long-term sustainability of the pension benefits for both active and retired teachers.

In closing, Bill 45, before you today, will put the teachers' pension plan on a solid path towards financial sustainability. I am currently paying for retirement. I want to be assured that I am going to get it.

Thank you for listening to me today

Maria Nickel

I want to thank the committee for this opportunity to speak to the proposed Bill 45. I was in education for 39.5 years and I have been retired for the past four years. I was an active supporter of the Manitoba Teachers' Society and someone who has always appreciated the work of our government representatives. It is difficult for me to speak against a bill that has been created by them, but I must.

To begin with, I have to comment that the retired educators who are here speak for the many who cannot be. While the active teachers are able and capable to be here—too many of the retired educators cannot make their voices heard because they are either physically, mentally or financially unable to be here. Even the timing of the hearings—6 p.m. to midnight—precludes many retired educators from attending.

I am neither an accountant nor an actuary, so I will not pretend to understand clearly how this problem arose, nor how to solve it. What I do know is this. Retired educators trusted that the money they were asked to put into TRAF would support their pension payout and would enable a sufficient COLA to protect that amount in a rising inflation environment. We were always proud to say that our Teachers' Society and our government were working together to protect our best interests. The mistakes of the past and the present proposed Bill 45 have eroded both that faith and that pride.

I cannot speak for others when I say that I would gladly accept a two-thirds COLA. But the conditions attached to it are ones I cannot accept. The attached strings "up to two-thirds" and "on the ability to pay" say to me that our COLA will continue to be the lowest in Canada with very small or zero increases, and that our pension capacity will continue to decline.

I am also astounded that the Sale report, which does not guarantee a fair COLA for retired teachers, recommends that this plan be in place for 10 years. No active teacher would ever accept a negotiated contract with a 10-year time line.

I appreciate that this is a difficult problem to solve, and that it is decisions in the past that have led to this problem. But our governments have redressed old wrongs, and if there is a will to do so, can correct this problem. For the sake of all educators, both active and retired, our pension plan needs to be stable. And for the protection of those who will retire, and those who are retired, there needs to be provisions for a guaranteed fair COLA.

You have heard it said that active teachers support Bill 45. I would suggest to you that the plebiscite demonstrates, that in spite of an organized lobby to get educators to support the bill, there is widespread concern with it. I urge you to return to the negotiation table and come up with a better short-term and long-term plan to address the concerns with the proposed Bill 45.

Thank you,

Carolyn Lintott

* * *

Good evening. Let me say first, thank you for the opportunity to speak in support of Bill 45.

My name is Gerry Sankar. I am the president of the Pembina Trails Teachers' Association and have been for the last three years. I was also the vice-president for three years, and as well, the negotiations chair of the previous Assiniboine South Teachers' Association. I am also looking forward to my retirement in June 2009. I should also tell you that I have very close family members and close friends who are retired teachers, and a daughter who is just beginning her teaching career.

In my capacity as president of our association, I have met and spoken about this issue with hundreds of teachers at different stages of their careers. In the last few months, I have discussed the issue of COLA at council and committee meetings, school visits, and via many e-mails and phone calls. As such, my comments are based on a well-rounded perspective and understanding of the sentiments of very many active and retired teachers.

I will endeavour to refrain from referencing specific statistics, or the numbers relative to the basic benefit plan account and the Pension Adjustment Account. You have already been bombarded with the numbers, both accurate and inaccurate ones. I am sure that the committee, the minister, and the government already have these numbers. Rather, I would like to talk about what is important to teachers in a more personal way—their concerns and fears relative to their pension and the issue of COLA.

My brother, who is a retired teacher and has been for many years, said to me recently that the insignificant COLA increases he received in the last five years have set him back considerably and that it would take many years to catch up, if ever. However, he was also thankful that the basic plan is protected, and that he would continue to receive a pension. He sees the Sale report as possibly the only way to improve on the COLA received over the last number of years. Failing this will result in more of same. This opinion has been expressed by many retired teachers with whom I have spoken.

My daughter, on the other hand, wondered if there will be adequate funds when she retires, or would she have to work to age 65 to access benefits?

That, I believe, is the real issue here. It is the No. 1 concern of most, if not all, teachers.

Retired teachers need the comfort of knowing that the basic plan is healthy and that a reasonable COLA is realized. Full COLA would be great, but at what price? The COLA received over the last few years is

understandably unacceptable. If this trend continues, retired teachers' losses will continue to further compound. The Sale report and Bill 45 will double the COLA paid this year to retired teachers—0.71 to 1.44. This is a reasonable beginning.

Teachers at all stages of their careers would like to know that TRAF will be in a healthy financial position when they are ready to access the benefits. Specifically, the option to retire at age 55 is important to all teachers. It is no secret that teaching is demanding work and that it is becoming more demanding each day. The ability to retire at age 55 is extremely important to the vast majority of teachers. Providing a full COLA will erode the basic benefit account and will very likely force the plan managers to reconsider this option.

It is common knowledge that defined benefit plans are feeling the effects of an aging population. Compound this with the fact that teachers now retire much earlier and, therefore, collect pension for a much longer time. Simple math tells us that this scenario places a huge financial stress on the plan. Bill 45 addresses this reality.

Active teachers understand that given the changing ratio of active teachers to retired teachers, the contribution rate must increase, and they are willing to do so to maintain the basic benefits. In the near future, the 1.4 to 1 ration will change to 1 to 1. Active teachers understand that retired teachers are collecting pensions for a longer period of time as a result of earlier retirement and a longer life expectancy, both of which there is no interest in changing. However, they don't believe that they should be paying for the mistakes of the decision makers of the past. Actuarial reports in the early '90s clearly warned that if the plan continues to pay full COLA, it would suffer serious financial consequences, as it is today. Unfortunately, the decision makers, likely for political reasons, ignored these warnings.

The Sale report and Bill 45 recognize this and are presenting a balanced approach to address the issue of protecting the basic plan and the current benefits, affording retired teachers an improved COLA and not placing undue burden on active teachers. It is a reasonable, sensible, long-term approach.

I would love a full COLA when I retire next year, but I cannot in good conscience ask younger teachers to compensate for the contributions I did not make, and that I should have made over the last many years. I would have gladly made those contributions,

but nobody asked. My moral compass tells me that it would be morally wrong to place this burden on young teachers who are balancing their budgets to take care of their families. A full COLA would be great in the short run but highly detrimental in the long run. We already found that out; let us not make the same mistake again.

This is a problem that was 25 years plus in the making. Reversing the problem must indeed be deliberate and purposeful. There is no quick fix. We need to achieve the delicate balance between providing a reasonable COLA for retired teachers and protecting the long-term integrity of the basic plan. Bill 45 is an excellent start. I ask that you recommend the adoption of Bill 45, which directly affects over 25,000 active and retired teachers and their families in a positive way.

Thank you.

Gerry Sankar

* * *

I will soon be 79. I retired in 1988 after 28 years as an educator, the last 21 years as principal of Vincent Massey High School in Brandon. Since I retired I have experienced a decline of approximately 10 percent in the value of my pension income although I distinctly remember that in the '70s I was informed by the Manitoba Teachers' Society—MTS—that, on retirement, my pension would be fully protected from inflation. To ensure that protection was there, I was required to pay additional contributions to the Teachers' Retirement Allowances Fund—TRAF. I and other retirees over the years paid for inflation protection and the Schreyer government agreed to that provision. That we are being denied what we paid for is manifestly unfair and may be illegal.

The current government, and every government for the last 20 years or so has been made aware by the actuaries of TRAF that the fund was not being adequately funded. The failure of governments over the years, Conservative and NDP, to act to remedy the situation is not only regrettable, it is shameful. It is strange that this government, despite the fact that the MTS requested the increase required to fund the pensions of active teachers, chose to continue to underfund those pensions.

In May I received and submitted a plebiscite form on which I was asked to express an opinion regarding the Sale report. I have already written about my concerns with the plebiscite. Those concerns included:

- since the government already knows the opinions of retired and active teachers, a plebiscite was a needless expense;
- retired teachers were numerically outnumbered 15,000 to 11,000, active to retired teachers;
- the timeline was such that many retired teachers could not vote.

I was one of the 48 percent who voted against the report. Although I do not know how many retirees voted no, I expect that most retirees voted against the report. I also expect that most of the 52 percent who voted in favour may have been active teachers. It seems to me that the government is not wise to rely on the validity of a vote with such a small majority, especially when one considers that MTS, with its expertise and professional staff and its ability to seek support, fared so poorly against a much smaller, weaker, voluntary organization, the Retired Teachers' Association of Manitoba—RTAM—whose members are all senior citizens.

It is sad to realize that the MTS, despite the fact that its officers say they represent the best interests of retired teachers are acting, and have been acting for some time, solely in the interests of active teachers and against the interests of retirees, many of whom built the MTS. Ostensibly a democratic action, holding a plebiscite was the action of a bully and it is shameful that an NDP government may be relying on the results of a flawed instrument created by the MTS to attempt to overcome the rightful expectations of senior citizens.

Passage of Bill 45 will ensure that no further action will be taken on TRAF pensions for 10 years despite the fact that the pensions of active teachers are still not being adequately funded. Given my age, the odds are that I may not be alive in 10 years and will not benefit from any future possible changes. It is shocking that in my declining years, I am being treated so shamefully by the government of a province that I served faithfully for so many years and by a party which claims to represent the working man.

I urge members of all parties to stop the abuse of so many senior citizens by withdrawing Bill 45 and continuing discussions with all the parties involved to resolve problems that remain with the regulations that govern TRAF. Please stop the abuse of senior citizens who have given so much to this province.

Respectfully submitted,

Gordon Henderson

* * *

I have been a teacher in Winnipeg for the last 35 years. As most teachers, I have dedicated myself to my job in the classroom and also gave many hours volunteering as a school coach. I have trusted in good faith the people I have elected to represent the interests of myself and all teachers in Manitoba.

I recently retired in June, 2007. As I approached retirement, I became aware of major decisions made over the past 25-plus years by individuals in government and my association. The effect of these decisions, in particular, LTD, pension benefits and cost-of-living adjustment, COLA, have directly affected me as a teacher and now a retired teacher. Their effect has been a negative one.

What is very distressing is that I have had no direct input regarding these decisions that have affected my pension benefits, disability plan, and cost-of-living adjustments. At no time was I asked my opinion or asked to vote directly on these issues, except recently of the plebiscite regarding the Sale report.

At present, I have a pension income that is below the level I was told to expect when I began teaching in 1972. As well, I can look forward to little or no cost-of-living adjustment during my retirement years. At an average of 3 percent rate of inflation, this means that, in 24 years, the buying power of my current pension income will decrease by 100 percent. During that same time period, a retired teacher's pension in Ontario will double. Retired teachers in Saskatchewan are also better off than teachers in Manitoba. My understanding is that teachers in both these provinces have a guaranteed COLA.

I also understand that, in 1980, teachers in Manitoba made an agreement with the provincial government for a guaranteed COLA. This guaranteed COLA was in exchange for teachers opting out of the civil servants' disability plan and forming a teachers' disability plan, LTD, managed by MTS. Until recently, I have continued to have deductions made on my salary each month for this plan. In the year prior to my retirement, this amounted to \$131.53 per month. At the same time, retired teachers are receiving very little COLA, below 1 percent. What happened to the agreement? How was this allowed to happen? It seems to me this happened for two reasons over the past 30 or so years:

(1) The provincial government did not match teacher contributions over the years, preferring to wait until teachers actually retired to match pension dollars. This decision also created a loss of compounding interest for our pension plan and the cost-of-living adjustment. An average person could not expect to manage their funds this way without creating a real financial problem in their future.

(2) Teacher contributions to the pension plan and the COLA portion have not increased, even when MTS and the government were warned that the fund could not sustain a full COLA.

Again, I did not have input into these decisions. Now, MTS and the government have come up with a proposal for an up-to-two-thirds, cost-of-living adjustment. The way it is worded still leaves the possibility of little or no COLA. This proposal could still lead to the same situation we have presently, little or no COLA.

It has been stated that active teacher contributions and, consequently, government contributions will not be increased. The government has been asked to contribute millions of dollars to support this proposal rather than increase current teacher contributions. I understand that a fund to support future COLAs for active teachers has been created. What is being done to ensure an adequate COLA for retired teachers?

A comment by the current MTS president was recorded in the media that said: Current teachers did not create the problem and, therefore, should not have to bear the burden of ensuring a COLA for retired teachers. I am saying that I did not create the problem either, but I am in a situation where I may have to bear the burden in terms of my future retirement income.

I think if this Bill 45 is passed, we will be fooled again for the next 10 years. People have also said that this situation has taken over 20 years to develop and will take 20 years to rectify. Why was nothing done to rectify the situation many years ago?

I find this even more disturbing when I see the provincial government presenting Bill 37 that asks for a \$1.25 for each party, per each vote obtained each election with a cost-of-living adjustment for each year between elections. I also read that the government has increased hydro rates by 5 percent this July, 2.1 percent above the amount Hydro asked for. These rates will continue to increase 2.9 percent for the next 10 years. Recently, it was also reported on the news that there has been a record-high

inflation rate over the past three months. And we are expected to accept an uncertain COLA.

Teachers provide a very important service to our community. They dedicate themselves to their jobs. They deserve to receive a secure future. Currently, there are retired teachers living at or near the poverty line. The current situation is unacceptable. The ball has been dropped by the decision-makers in government and our association over the years in regard to teacher pensions and cost-of-living allowance. We need to be ensured a full, at the very least adequate, COLA with no restrictions attached.

I want to thank you for time and consideration. I look forward to seeing this issue resolved for the benefit of all retired teachers in our province. I also look forward to your reply to this letter.

Linda Puttaert

* * *

I put my name on the list of speakers for Bill 45 being heard tonight in room 255 and tomorrow. Work commitments don't allow me to attend. The Clerk said there was about 200 and I was to be added to the end of the list. There was no indication in the letter dated June 24 what the e-mail address was regarding opinions of retired teachers, so I am sending my comments to you. Feel free to redirect this if necessary.

I won't be writing 10 minutes worth here. The experts have well expressed themselves regarding the Sale report.

I taught for 37 years. Thirty-three years were with the Louis Riel School Division. I retired at Christmas in 2005. It would have been a waste of time continuing to teach given the effect of continued contributions to the plan. The plan does not meet the needs of teachers as it is presently set up. It limits contributions and the window allowed by the government to contribute to other RRSP vehicles was also very narrow. MTS has been very disappointing over the years making teachers aware of the weaknesses in the teachers' pension plan. Choosing to be silent, they have allowed the problem to grow even further by not addressing the COLA problem. I also feel they are more interested in pleasing the government of the time for whatever reason. They don't seem to want to fight for teachers who have served the province. The government has also failed in their responsibility to recognize what teachers have done for their students. The CPI has moved to over 3 percent most recently, and all of us

know that rising costs puts more and more strain on our resources. For those that have retired before me, their resources continue to shrink and many teachers have become marginalized. I don't find this acceptable.

In the fall I returned to full-time employment. This is not an option that many have for reasons of health, age, divorce, to name a few.

The Sale report does not adequately address the needs of a growing list of retirees who are not in a position to address their economic needs.

As I said at the beginning, I don't understand all of the issues related to how we got where we got, other than to say I feel the Sale report is trying to put a lid on the discussion for 10 years. No doubt most people won't be around to remember how there were so poorly treated by two of the governments of Manitoba.

Manitoba teachers should have had better investment people. Their accounts should have been larger, more reflected of their last best five years and the a full COLA would have been manageable. I am very disappointed in how I have been informed and led to believe that my pension would meet my needs later in life. This has been a very dishonest process and should not be allowed to proceed. The government has a moral and ethical responsibility to look after all of its citizens fairly, and this includes the Manitoba retired teachers.

What I personally feel sad about is having worked so long only to be able to do nothing with my family because I had to go back to work.

Sincerely,

Wayne Watson
Stonewall, MB

* * *

I could not present my case in front of you today, but I do not want to let my opportunity to have slipped by. You have to hear what we retired teachers have to say.

I am a recent retiree. I taught for seven years before getting married. I thought that was the end of my teaching career. I come from a generation who believed that, with pregnancy and the raising of children, my days of working in the world were over.

Due to unfortunate circumstances later on in my life, I had to go back to work. Having only a class 1

certificate, I decided to attend university courses to obtain a fourth-year Bachelor of Education. Upon graduation, I was fortunate enough to find employment and, with a \$31,000 pension buyback and the promise of a fair COLA, I could see a pension that would assure me of a fairly comfortable retirement lifestyle.

I'm finding that, with today's increasing cost-of-living expenses, my budget is getting tighter and tighter. There is very little left after the bare necessities have been covered. My dreams of carefree retirement living are quickly disappearing. The present COLA increments of a few couple dollars a month just doesn't help much. Unfortunately, if Bill 45 is accepted, that situation is not going to change much and that is not fair and just.

Now, don't forget that I am not the only retiree who lives on three pensions: TRAF, OAS, CPP. There are lots of us widowed, separated, divorced females who were left more or less penniless and now reduced to scrounging every month to make ends meet. Please address that situation.

All I want is the fair COLA that I was promised when I was working. Stop the games and play fair. Thank you for your attention.

Rhea Chudy

* * *

Teaching, coaching, running clubs, and directing drama and musicals have been a part of my life and my family's life for the last 40 years. I love my profession and it has provided the lifestyle and financial security that I, as a young widow raising a son and later as a daughter providing a home for elderly parents, appreciated. I have always been independent, worked hard, and planned for the future and never thought for a second that my future life style would be threatened by my own professional organization and the government of the province I chose to make my home.

As a young teacher in the late 1970s I understood that we, as a professional group, had negotiated with the government to make some changes that would affect my future. As I understood it we had agreed to pay in a higher percentage of our income to our pension plan than other public employees and take on the extra cost of paying for and administering our own long term disability plan in exchange for a guarantee that in retirement we would receive a reasonable yearly increase to offset the increases in

cost of living. It seemed reasonable to prepare for the future and to protect and provide for the teachers who were already retired. I was willing then and throughout my career to be socially responsible, and stand up for the rights and needs of others even if it didn't benefit me in my present circumstances. I believed then as I do now, that it is our collective responsibility to care for one another and provide the best life style that we can for the teachers of this province, both past and present.

In recent years as an active teacher I was shocked to hear that retired teachers were not receiving adequate yearly increases and that, particularly our oldest retirees were suffering financially; and I was chagrined, as a person who had tried to be an active and involved member of MTS through my local association, to discover that there was a short fall in the funding of all parts of the pension and that the retired teachers were taking the hit for our lack of attention to a serious matter.

Chagrin turned to anger and frustration when I understood that our provincial organization could not make changes except through the government and that the government, whose unfunded liability was a good part of the problem, had been dragging its feet on this issue for quite some time. Acting like a foolhardy consumer that wants to spend his/her money on other things at the moment, and thinks that they will somehow have things financially better organized in the future, the various governments have treated our pension plan like a you don't have to pay a cent till a teacher's retirement event. And so the government has only been paying out when a teacher retires and not putting in their portion to be used in our fund to generate interest with the rest of the money that we each have been putting in monthly.

Finally the government, possibly because they realize that soon the senior sector of our society will be the controlling factor in elections, has begun to pay back what it has owed for a very long time, not completely, but at least it has begun by paying approximately two-thirds of its outstanding debt, for like the consumer who has enjoyed something for nothing suddenly realizes, the passage of time in money matters results in higher costs and the piggy bank rarely provides more in the future than it can today.

Don't misunderstand. I am pleased that the present government is beginning to meet its financial responsibilities just don't forget that this still leaves them owing more than a half billion dollars to our

pension fund, money that will not be generating interest to help sustain the fund for the future.

It is not my intent to be a burden on my younger colleagues, nor do I expect an unsustainable or unrealistic yearly increase in my pension. I do however expect that there will be adequate adjustments so that a teacher who lives to be 80 or even 90 will not find him/herself existing, not living, because his/her meagre fixed income's purchasing power has dwindled away and the yearly adjustments, on a pension that was adequate 15 or 20 years earlier, have not kept up with the changing costs.

Early retirement was never part of my plan, but caring for elderly parents with failing health, and my sister as she battles with cancer, has forced me to take that step. I am grateful for my basic pension income which allows me to work on a casual basis and care for my family, but I don't want to find myself still having to work when I am in my 70s, assuming that there would be an employer that would hire me then even on a casual basis, just to maintain my quiet way of life. I do not believe that I should receive any yearly increase in my pension until I reach 65, early retirement is a choice I have made but do not feel I paid for; but I do believe that I should receive an adequate yearly increase after that in order to maintain my lifestyle because that is the bargain I understood that the government, MTS and I had made many years ago.

Decisions made today need to be long term and sustainable without burdening the present or future active teachers, but changes cannot always be predicted. A 10-year wait to revisit this plan is too long. Pension issues need to be addressed more frequently, so perhaps there should be a requirement that pension issues be reviewed by all parties every second year. This would mean that the present situation would not be repeated as issues would be dealt with in a timely manner and not left to fester and become compounded.

It is important that RTAM has an active voting voice in pension issues. In this way retired teachers will not feel disenfranchised. Their voice should be equal to, but not greater than, the MTS representation that speaks for active teachers and future retirees. This would be a fair way to approach pension needs and reforms and would provide balance.

I am asking that you do not pass Bill 45 because it doesn't provide an adequate, sustainable solution that all parties can agree on. While there are some parts

that are acceptable and could be acted on with support from all parties, the government's decision to make it all or nothing at all makes Bill 45 unacceptable.

Janice Yon
Winnipeg, Manitoba

* * *

My attendance at the evening sessions of the committee hearings related to the Manitoba teachers' cost-of-living allowance was disappointing for me. Having served on several committees while I was an active member of MTS, having been president of RTAM and having voted for the NDP government, I am unable to uphold the good reputation of the present executive of the MTS or the Manitoba government as regards fairness to those senior citizens who were teachers that had committed their lives to teaching the youth of Manitoba and who are now living on low pensions with an unsatisfactory cost-of-living allowance.

Many of these are women who were committed both to their teaching and their families and who could not manage to further their own education, which would have seen them earn higher salaries and, consequently, higher pensions. As a result of inadequate pensions and cost-of-living allowances, this is a devastating reward for their many years of service.

Is it fair that, if the proposals put forward by the government of Manitoba and the Manitoba Teachers' Society regarding COLA paid to retired teachers in this province are legislated, it would leave their benefits among the lowest paid to retired teachers in Canada?

In addition, the MTS is proposing to practicing teachers that they support the Tim Sale report which would see retired teachers in Manitoba without any reasonable COLA guarantee for another 10 years.

When the Pension Adjustment Account was established in the late 1970s, the government's objective in relation to the problem of inflation projection for teacher pensions was that the account was to deliver a COLA equal to two-thirds of the consumer price index. Also, the government's objective was that The Teachers' Pensions Act should mirror The Civil Servants' Superannuation Act. This was not acceptable to the Manitoba Teachers' Society at that time. Discussions were continued until a solution acceptable to both parties

was reached. The agreed upon decision was that the COLA would be a little more than two-thirds of the CPI.

While the solution required higher contributions by teachers than by civil servants and, also, the acceptance by teachers of the elimination of their disability and survivor benefits that civil servants continued to enjoy, Manitoba teachers chose to take these actions to provide reasonable protection against inflation for their colleagues already in receipt of pensions.

What the Retired Teachers' Association of Manitoba wants now is that the original intent of The Teachers' Pensions Act be honoured and that the account be funded sufficiently to achieve that intent.

What was truly unfortunate was that, for 20 years following the signing of The Teachers' Pensions Act, government continued to be intransigent in awarding appropriate funding for the teachers' pension funds. Also, unfortunately, this practice has continued since the present government has been in power.

As a result, the basic pension account and the Pension Adjustment Account are not appropriately funded to this day. Although an increase in the contribution rate was legislated in recent years, it was not sufficient to provide adequate funding.

The greatest asset that the teachers, both active and retired, have to address any pension funding issues is through surplus investment returns. Fairness would dictate that a portion of these returns would be used to support a reasonable COLA for all retirees. Surely, this is the primary way that a benefit can be provided for all members in receipt of a pension.

RTAM is asking that the government legislate the Sale COLA recommendations, so that the pension adjustment be improved by a sharing in the investment earnings of all pension monies. RTAM agrees with the MTS regarding the three-year-forward averaging of interest earnings. Also, RTAM assures that it wants to continue discussions with the MTS and government until a long-term agreement is reached.

The Tim Sale report does not address the needs of either the practicing teachers or the retired teachers. It does not address the government's failure during the past nine years to solve the problem. It guarantees no better treatment in the future and it fails to recognize that retired teachers in this

province, as a result of negotiations with the government, have paid for a benefit that they are not receiving.

Retired teachers, having paid for inflation protection, demand a better COLA deal, a long-term fix for a better COLA. I agree with them.

Valdine Johnson

* * *

My name is Corinna Kroeker and I am a substitute teacher.

I am here to show my support for Bill 45, the amendments to our pension plan. Having been teaching for 10 years and having paid into my pension plan for some of those years, I hope to retire one day. That is why I am here.

I have made an effort in recent months to read the various positions that have come out from both RTAM and MTS. I understand the desire of retired teachers for a cost-of-living adjustment that ensures at least a high degree of inflation protection. I, also, however, understand the cost of such a benefit.

It is clear that any sort of COLA guarantee is financially beyond reach. There may have been a time, over the past 20 years, when changes could have been made to soften the impact of our current demographics, but important decisions were never made. Ignoring the warnings that were provided over and over again means we must now face the situation we have today.

There is one aspect of this issue that I find particularly disturbing however, and it is the one I would like to address today. It is the belief of RTAM that money should be taken out of the account that pays the basic benefit, account A, and transferred to the Pension Adjustment Account to pay enhanced COLAs. This is absolutely unacceptable. It is both short-sighted and financially risky, and that risk falls disproportionately on active teachers.

The problem with our pension plan stems from the simple fact that we did not put enough money into the plan to pay the current benefit levels, and we certainly did not put enough in to pay a full COLA. Now we don't have the money for a COLA and the RTAM solution is take the money from the account that pays the basic benefit, even though our plan had a shortfall at the last valuation and will quite likely have a deficit at the next valuation.

So what happens if we raid the basic benefit account and in a few years what we can't afford is not a COLA, but the basic benefit itself? Will retired teachers agree to cut their benefits? I hardly think so. What will happen is either massive contribution increases for active teachers, cuts in benefits for future retirees, an increase in retirement age or some combination of these factors.

We don't have enough money in the account that pays out the COLA for retired teachers. Now their suggestion is to put my future pension at risk to supplement their COLA. I don't think so. While sympathetic to retired teachers, I am already paying more to get the same benefit they got. I expect to pay even more for that benefit in the future. Anything that puts my future benefit at risk in spite of those increased contributions is simply not acceptable.

I hope that as you consider Bill 45 you will think not only about retired teachers, but also about the thousands of teachers who are counting on our pension plan in the future. Some of them will not retire for decades. I hope that you will not repeat the mistakes of the past and create a situation where it is the basic benefit we cannot afford.

Thank you for the opportunity to present my views on this issue. I believe Bill 45 represents a fair and reasonable approach on this issue and I hope for its speedy implementation.

Corrina Kroeker

* * *

Hello. My name is Orah Moss and I am the president of the Seven Oaks Teachers' Association. I am here today to speak to you on behalf of the 650 teachers in our association. Thank you for taking the time to listen to what teachers have to say about our pension plan.

At our council meeting in April, the teachers in Seven Oaks voted unanimously to support the implementation of the Sale report. The teachers in our association—along with teachers across the province put in a lot of effort to understand the recommendations of the Sale report. In Seven Oaks, we voted to support those recommendations because we believe they are a fair and balanced solution to improving the COLA for retired teachers, while ensuring a strong basic benefit remains for active teachers.

In the '80s, changes were made to our pension plan to increase the benefits—such as lowering the retirement

age to 55—without increasing the contribution rates to support the increased benefits. In addition, decisions were made to pay 100 percent or close to 100 percent COLAs despite actuarial warnings that our plan was never designed to, nor was it capable of, supporting those payments.

The Manitoba Teachers' Society has been attempting to work with the Retired Teachers' Association of Manitoba for more than five years to find a solution to RTAM's desire for an improved COLA while protecting the basic benefit for active teachers. You have heard, and will continue to hear from many RTAM members who argue that they were promised a 100 percent COLA. In fact, that is not the case. Although the pension act gives the plan the legal right to pay a full COLA, in fact our plan was never designed to do so. Moreover, the people who made the decision for the plan to pay 100 percent COLA and who decided to ignore repeated warnings by the plan's actuaries that this would cause a deficit to the plan, are the same people making the decisions on behalf of RTAM to fight the implementation of the Sale report.

Those same people, the RTAM leadership, has been accusing MTS and active teachers individually, of ignoring the needs of retired teachers. This is quite evident in their slogan: no generation left behind, that has been printed on all the material they have been sending out during and following the plebiscite.

When I visited the schools in our association and talked with teachers about the plebiscite and about the TRAF/COLA issue they had lots of questions. But, what made the teachers in our association unanimously support the implementation of the Sale report is the understanding that the teachers in this province function as a collective. And that means that active teachers do have a responsibility to do what we can to ensure that retired teachers can have access to an improved COLA benefit, while ensuring that future retire teachers will still be able to count on a strong basic benefit.

In Seven Oaks, 50 percent of our teachers will be eligible to retire in less than five years. We understand our obligation to the young teachers of today and of tomorrow to ensure they can enjoy the benefit of a strong pension plan when they are ready to retire. We also understand that decisions were made in the past that in hindsight, were irresponsible. We understand our obligation to correct those mistakes as well as our obligation to put measures in

place to ensure that irresponsible decisions are not made in the future. The Sale report does meet both of those obligations. It puts measures in place so that in this year, the COLA paid to retired teachers would double, and allows the plan to pay up to two-thirds COLA in subsequent years. It protects the basic benefit by ensuring that funds used to pay the COLA come only from the Pension Adjustment Account, keeping account A—the account that pays the basic benefit—secure. It also provides for a re-examination of the situation in five years so that any necessary adjustments can be made.

On behalf of the members of the Seven Oaks Teachers' Association, I urge you to support Bill 45.

Thank you for your time.

Orah Moss,
President, Seven Oaks Teachers' Association

* * *

My name is Phil MacLellan and I'm a retired teacher.

I am writing to you today to show my support of the proposed changes to The Teachers' Pensions Act contained in Bill 45.

I take it for granted that we understand that in the last several years, COLA benefits have fallen short of the actual rate of inflation, and that as things stand, they are expected to continue at these low levels into the future. I believe that the changes proposed in Bill 45 will go a long way toward improving COLA for retired teachers in Manitoba.

As I understand it, the current bill arises—and contains all the elements of—a report flowing from meetings of a task force on teacher pensions. That group had representatives from government, from the Manitoba Teachers' Society and from the Retired Teachers' Association. In support of their deliberations, those representatives had full access to pension plan information from TRAF itself, and no doubt hired actuaries and pension analysts as needed to provide advice and technical support.

I presume that those discussions allowed all those present to express their positions, ideas, suggestions and opinions, and to examine the hard numbers that were relevant to same. The result of those discussions was the Sale report and the eight recommendations of that report make up the Bill 45 that is being considered.

I suppose I'm left wondering. If all the people who have a stake in teacher pensions were at the table, and the report flows from those discussions, and the proposed legislation flows from that report, then what basis might there be for opposing the proposed legislation? Was there information that was falsified or not considered? Is anyone claiming that they were denied the right to speak, or denied the necessary technical information to inform a decision?

As someone who was not part of those discussions, I must confess myself very confused. If this bill passes, my understanding is that it will make genuine improvements to COLA for retired teachers like me. If the proposed legislation does not pass, then I'm completely at a loss, because I think the only option at that point is back to the drawing board, which would mean the same people go to the same table with the same information, and yet are somehow expected to come up with a different answer. It's not as if there's some kind of appeal process, or a different group of stakeholders we can ask. It's the same people. And to expect exactly the same people to use the same data and come up with a fundamentally different approach to the problem, well, it's nothing less than bizarre.

The proposed legislation is the best that several parties, working at the same table, were able to produce. It's time to put those recommendations in place and move on.

Thanks you,

Phil MacLellan

* * *

My name is Tracy Fyfe and I am a high school teacher in Winnipeg School Division and a member of the Winnipeg Teachers' Association. I am here to show my support for Bill 45, the amendments to our pension plan.

I have been teaching for 10 years and I hope to retire one day. That is why I am here. I am also here because I'm a single mother, raising my children on a single income and trying to give them the best opportunities I can today, while trying to plan and prepare for their future and mine. I'm an active member of my local association and I became involved in MTS work a few years ago.

As I said, I've only been teaching for 10 years, so I will be paying into my pension plan for at least two more decades. The issue of my pension, the COLA and Bill 45 should not be at the top of my mind and I

must admit that I wish MTS was spending as much time on classroom issues as they have been on pension issues. But I've paid close attention to this issue this year and I've come to the conclusion that my colleagues and I are very fortunate that MTS has taken the position they have.

I'm in total agreement with MTS and government, that implementing the recommendations in the Sale report is good for teachers, both active and retired.

There has been a lot of information sent out and the word fairness seems to come up often. Being a mom and a teacher, fairness is really important to me. I read the Sale report and I read both MTS's and RTAM's responses on their Web sites. RTAM talks a lot about fairness and equity, but their ideas and solutions for fairness and equity mean that I will pay a lot more money into the pension plan and they will get all the increases.

Let me explain. RTAM says they want a contribution increase from active teachers, that will go directly to the COLA account to pay higher COLAs right now, but there's no plan to ensure that some of that money will remain in the account and build up for future COLAs. How is that fair to young teachers?

RTAM says that they want to take money from the basic benefit account to pay higher COLAs right now. I already know that I have to pay more to ensure my basic benefit when I retire. If that money is taken away to pay COLAs now, I will have to pay even more just to get the same benefit. How is that fair to young teachers?

RTAM says there should not be any improvements to the pension until higher COLAs are paid. From what I understand, there were lots of benefit improvements made in the 1980s and 1990s and nobody paid for them and, now, my benefits are supposed to remain the same until those people get even higher pensions. How is that fair to young teachers?

I don't mind paying more to make sure that my pension is secure. I don't mind that some of that additional money will go into the COLA account and pay higher COLAs to retired teachers, but I simply don't understand how it is fair that my pension benefit will, at best, be the same as people who paid significantly less than I will pay.

I've talked to some retired teachers and they really do want what's fair. The people I've talked to don't want young teachers to pay unreasonable amounts, and

they certainly don't want to take money out of our pension to pay themselves a higher COLA.

Fairness means everyone gives something and everyone gets something. The Sale report gives retired teachers a better COLA and it gives active teachers, like me, some security. That seems fair.

Thank you for listening.

Tracy Fyfe

* * *

My name is Matt Turner and I am a middle years teacher in Seven Oaks School Division and a member of the Seven Oaks Teachers' Association. I am writing to show my support for Bill 45, the amendments to our pension plan. I have been teaching for five years and I hope to retire one day. That is why I am here. I'm also writing because I am trying to give my family the best opportunities I can today while trying to plan and prepare for our future.

The issue of my pension, the COLA and Bill 45 should not be at the top of my mind, and I must admit that I wish MTS was spending as much time on classroom issues as they have been on pension issues. I've only been teaching for five years so I will be paying into my pension plan for at least two more decades, but I've paid close attention to this issue this year, and I've come to the conclusion that MTS has taken the right position.

I'm in total agreement with MTS and government that implementing the recommendations in the Sale report is good for teachers, both active and retired. There has been a lot of information sent out and the word fairness seems to come up often. Being a father, husband, and a teacher, fairness is really important to me.

I read the Sale report and I read both MTS's and RTAM's responses on their Web sites. RTAM talks a lot about fairness and equity, but their ideas and solutions for fairness and equity mean that I will pay a lot more money into the pension plan, and they will get all the increases. RTAM says they want a contribution increase from active teachers that will go directly to the COLA account to pay higher COLAs right now, but there's no plan to ensure that some of that money will remain in the account and build up for future COLAs. How is that fair to young teachers?

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I've talked to some retired teachers, and they really do want what's fair. The people I've talked to don't want young teachers to pay unreasonable amounts, and they certainly don't want to take money out of our pension to pay themselves a higher COLA.

The Sale report gives retired teachers a better COLA, and it gives active teachers like me some security. Fairness means everyone gives something and everyone gets something. Thank you.

Matt Turner

* * *

My name is Kelly Turner, and I am a substitute teacher.

I am here to show my support for Bill 45, the amendments to our pension plan.

I have been teaching for five years and I hope to retire one day. That is why I am here.

Over the past few months, I've heard a lot about promises and guarantees with regard to the COLA issue. I've also read all the information that has come out and asked a lot of questions of my local and provincial leaders.

What I've learned is this: There never was a guarantee of COLA. Our pension plan says that COLA can be up to 100 percent of inflation, depending on what the COLA account can afford.

For many years the account paid out full COLAs because there were more teachers paying into the account than there were teachers drawing out of the account. In fact, when the COLA account first started, there were more than six teachers paying contributions for every teacher collecting a pension. With that amount of money flowing into the pension fund, it's not hard to believe that there was enough to pay full COLA each year. And it's also easy to understand how paying a full COLA each year created an expectation that it would continue.

But an expectation is not a guarantee. I often tell my students that just because you can do something, doesn't mean you should do it. From what I've seen, heard and read, that's exactly what happened with our pension plan.

Our plan actuary started warning more than 20 years ago that paying full COLA was not sustainable. But every year, year after year, the decision makers of the day kept paying full COLA—something that they obviously should not have done. What I don't understand is why. If the actuary for our pension plan made the same warning for nine years in a row, why was nobody listening? How do you miss a message that is given so consistently for so long?

I'm not an actuary by any stretch, but it's not hard to figure out that putting enough money in to pay for COLAs would have been a whole lot easier—and less expensive—20 years ago when there were five people contributing for every retiree. But for whatever reason, the decision makers 20 years ago didn't do that and the expectation of full COLA was allowed to continue. I feel really badly for the retired teachers who probably would have been more than willing to pay increased contributions to ensure their COLA when they retired. I can't imagine how disillusioning it must be to realize that the people who were entrusted to look out for your pension were simply ignoring a problem that was put right in front of them.

One of the things that I've appreciated throughout this issue is how honest and forthright MTS has been with active teachers like me. They've been very upfront about the fact that we're not paying enough to ensure our benefit and that we need to pay more to protect that benefit. They've also been honest about telling us that there is no guarantee of a COLA when we retire and that we should be putting money away to supplement our pension.

No promises. No guarantees.

Bill 45 also makes no promises and no guarantees. But it does do the right thing. It gives retired teachers a better COLA. Maybe it's not what they were expecting, and it's certainly not what they thought they were promised, but at least it's honest and it's affordable.

I hope that your government passes Bill 45.

Kelly Turner

* * *

My name is Barb Cummine and I want to thank the committee for the opportunity to share my thoughts on the proposed changes to The Teachers' Pensions Act.

I am currently a guidance counsellor at West Kildonan Collegiate and have been a teacher in Manitoba for 33 years. I will be eligible to retire at the end of the next school year, so issues related to my pension are extremely important to me. Throughout my teaching career, I have been actively involved in my local teacher associations and have served on a number of local and provincial committees. For the past several years, I have followed closely the work that has been done by MTS on the pension plan.

During this past year, I have paid close attention to the Sale report and the ensuing positions that have been taken on this issue. I am fully in support of Bill 45, the amendments to our pension plan, and I hope that government will implement the bill as quickly as possible.

One of the issues that I find interesting in all of the debate around this bill is the question of who owns the money in our pension plan. RTAM has written in numerous publications that up to 50 percent of the money in our plan was contributed by teachers who have already retired. Some people seem to believe this means retired teachers own this money and should be able to direct how it is used. Specifically, they would like to take the money out of account A and move it over to the PAA to pay improved COLAs. Unfortunately, this thinking is misguided at best and dangerous at worst.

The truth is that no one owns the money in our pension plan. What the people involved in our pension plan own is the benefit they will receive upon retirement. That is the deal that the legislation outlines and that is the promise—the only promise—of any defined benefit pension plan.

During our teaching years, we make contributions into our pension plan as set out in the legislation. Upon retirement, we receive a defined benefit that is also laid out in the legislation. We have no right to the funds we have put into our pension plan, only to the benefits that we receive.

There are those, of course, who would disagree with this position. It's our money, they would argue. We should decide how it is used. This argument would be reasonable if the people making it also agreed to accept the downside of such a proposition, but this is very unlikely.

Simply put, we know what happens when the money runs out. Retired teachers would never accept benefit cuts. They would insist their defined benefit is guaranteed. In addition, there would be no way to get additional contributions from them. So either active teachers and/or government would have to put massive amounts of additional money into the plan or there would have to be some sort of benefit cuts for those who have yet to retire.

The president of MTS, Pat Isaak, often notes that at the most basic level pensions are not that complex. They are about money in and money out. You have to put in enough to pay for the benefits you hope to take out. Unfortunately, most of our retired teachers didn't do that over the years and that has led to the problem this legislation is attempting to address.

In the end Bill 45 is a good compromise. While it is not everything retired teachers would like, it attempts to improve the COLA while still protecting the basic benefit for current and future retirees. This is important to me because I understand that upon retirement the benefit is the only thing I have a right to, and it's the only thing retired teachers have a right to as well.

Thank you for the opportunity to be here today. I hope for speedy passage of this bill and for the benefits that I'm entitled to upon my retirement.

Barb Cummine

* * *

Thank you all for the opportunity to speak to the standing committee hearings on Bill 45.

I think it is a remarkable and very special thing that these hearings are taking place.

During my 20-year retirement I have enjoyed some years of a full COLA, some years of reasonable COLA and more recently it has been a lesser COLA.

After listening to quite a few presenters, including Karen Boughton, Pat Isaak and Tom Ulrich, and then reading yesterday's *Free Press* editorial on Bill 45, I have rewritten my text.

I am one of the people who retired at age 55 after teaching for some 31 years. I started teaching in 1957. It was at West Kildonan Collegiate. I soon became involved in home and school affairs, MTS matters and various matters having to do with the students. In those years, the annual teachers' convention took place during the spring break and I attended a number of these. I got to know Tom Ulrich and George Strang and had a chance to hear them discuss issues dealing with the professional interests of teachers.

In the fall of 1972, there was a student strike at West Kildonan Collegiate. I was the principal of the school at the time. The issue was the question of voluntary attendance at the collegiate. We knew when the strike would take place. The staff prepared for the event. Specific staff members were asked to supervise the gym entrance and other entrances. All teachers were at their positions ready to teach. Glenn Nicholls was the superintendent. During the morning of the day of the strike, Glenn walked over to the collegiate from his office, about a block way, and briefly spoke with me. A group of students marched to the Legislature to make their case. During that week the school board held a board meeting in the school gym, and many students, parents and staff members attended the board meeting. The board took questions from people present.

One day during that week, a few staff members prepared a delicious hot supper and all staff members were there to enjoy the supper in one of our largest classrooms, and we held a special meeting. The meeting was very meaningful and there was much participation. One of the staff members suggested we hold a school tea. Within a relatively short number of days, not in the same week, we held a very successful school tea where we had many parents and students participating. The strike was on a Monday morning. Each day during that week we worked at normalizing the school program and, by the end of the week, we had mostly achieved this. Everyone learned from this student strike. There were no student suspensions.

When I retired from my position in 1988 I was 55 years old. I was in good health. I did not have a specific focus of activity for myself, but I never stayed at home except to take care of home stuff. I

studied and did some exams for a specific designation and took a paid position for a short time, and through this I discovered seniors. The result of this discovery is that in the last 18 years I have spent thousands of hours as a volunteer among seniors in Manitoba. I have been a part of the development, from nothing, of Good Neighbours Senior Centre Incorporated. If you drive along Henderson Highway at Bronx Avenue, you will see that there are piles in the ground at the site. This is the site of the construction of a \$5.5-million building which will be called Bronx Park Community Centre, home of Good Neighbours Senior Centre, a centre with programs for young people as well as some 40 programs for seniors, with four qualified and professional staff members, some 300 volunteers and close to 1,000 members.

In addition to this, it has been my privilege, with the help of many others, including Manitoba government staff to be part of the formation of a provincial organization called Manitoba Association of Multi-purpose Senior Centres. There are two centres in Brandon and one in Dauphin, Portage la Prairie, Steinbach, Morden, Winkler, and other communities are becoming part of the association. Government support staff has helped to provide for a constitution, policies, terms of reference and leadership training, et cetera, for all the staff and board members at these sites.

Now, I'm sure you are all wondering why I am including all this in my presentation. I am telling you all this to highlight one thing and that is leadership. Our student strike in 1972 could not have been resolved without the leadership from the board, the superintendent and the staff. The multi-purpose senior centres would not have evolved without the leadership from the provincial seniors specialist and other staff and community volunteers. We have had other presenters refer to leadership this week. I think it was Tom Ulrich who said it is the members of our government to whom we will be looking for the leadership in the matter of the resolution of the issues involving COLA.

Peter Isaak

* * *

It is with some apprehension that I appear before you at this eleventh hour to reflect upon the fiasco of Teachergate. However, I still hope that common sense will prevail and that this government will do the honourable thing and withdraw Bill 45 which

does not bring a long-term solution to the teacher pension issue. Any deal, at this time, is no more acceptable than the status quo.

The Manitoba government has been aware since the late 1980s that the present system of distributing pension benefits would not provide in the future the stable pension benefit to which retired teachers are entitled. However, the government continued to only fund teachers' pensions as they came due. The funds needed to support the teachers' pensions were probably used for other worthwhile projects. Now, however, the time has come for you to address the shortfall to the teachers' pensions plan and you are astonished that the cost could be higher, astronomical, as you would say. If I had not honoured the terms of my mortgage, I would be out of my home or paying hefty penalties. For more than 30 years, you have borrowed from Paul to give to Peter and now Peter must pay Paul. Deals made in past contracts with public servants must be honoured, states the Free Press editorial of June 23. The proposed amendments however indicate to retired teachers that Peter does not want to pay the money owed to Paul. On the other hand, active teachers who have been lead to believe, for some strange and unknown reasons, that the only solution is an increase in the active teachers' contributions of \$3,000 a year per teacher, have refused to pay; while the MTS states that they are willing to contribute as much as 2 percent but the government was only matching 1.1 percent. How convincing was MTS? All solutions, however, indicate the need for increased contributions from government and teachers. Teacher contributions will have to be increase because they are among the lowest in Canada. Other solutions need to be considered. What did you expect?

At the end of the day, providing a fair and equitable cost-of-living adjustment for the pensions of retired teachers of Manitoba has been the responsibility of all Manitoba governments since 1977, including this government. Representing the interests of all members of the pension plan was the responsibility of the MTS. The amendments to The Teachers Pensions Act, as proposed by this government and supported by the MTS, do reduce substantially the cost to government and to active teachers but do not provide a solution to this impasse. It only make good economic sense for both active teachers and the Manitoba government. It's certainly a gigantic setback for retired teachers. No wonder RTAM was not included in the discussions from the beginning.

RTAM represented the interests of the victims. Jeopardizing the pensions of retired teachers late in their life is pure negligence.

Retired teachers are not requesting a hand-out. They have paid for inflation protection for their pension throughout their careers. Yet their COLA is at the bottom of the pack. The message is clear, but are you listening?

The stakeholders must return to the negotiating table. It's definitely not cost-effective for the government or the MTS to pursue these discussions. However, there are more serious consequences for retirees if this government supported by MTS simply forge ahead and pass this inappropriate legislation. Retirees will need to return to part-time employment and/or curtail all volunteer activities in which they were involved. All MLA's, MTS and RTAM must review the objectives and promises of teachers' pension plan and what the Pension Task Force and the Sale report were not able to do. The costs of complacency and procrastination must be identified and all solutions MUST be considered including lump sum payment to some retirees, guaranteed COLA to others and no COLA for new teachers whose contributions may have barely been sufficient to cover the benefits proposed by the basic plan. Sacrificing a generation of retirees should not an option.

Conclusion

In closing, I thank you for giving me the opportunity to express my concerns and propose some solutions. I do hope this government will withdraw Bill 45 and return to the negotiating table with all stakeholders to seriously consider the issue of a long-term solution to the underfunding of both accounts: account A and the Pension Adjustment Account.

If, you ladies and gentlemen, cannot deal honourably with this issue, please allow others with ideals, leadership and empathy to consider a win-win solution for all stake holders.

Respectfully submitted,

Denis Fontaine
Steinbach, Manitoba

* * *

I am sure that, as you have been listening to the many presentations made here, you have heard the same facts repeated over and over again. That is helpful, as repetition is a good teaching technique.

This is a complex issue and, although I have read the information, listened to presentations and given a presentation, I do not know all there is to know. Although I firmly support the RTAM position, I do not pretend to be one of the most knowledgeable persons in the RTAM group and will not be giving a lot of facts—mostly just my opinions. I do hope that something I say will strike a chord and make you wonder if this whole problem really needs more consideration.

I taught for 35 years, starting in a one-roomed country school. That first fall in 1964, the teacher in another one-roomed school a few miles away said: There is an MTS meeting this week; you should come. I'll pick you up. My relationship with MTS began.

During my 35 years, I was always involved with our organization and always proud of the work that was done for all of us. There were many, very strong leaders who worked endlessly to make our work environment better and to be sure that our lives, after our careers, would continue to be fulfilling. We paid for our pension, our COLA and our own long-term disability. Somehow, it seems as though that has been forgotten in the mess we are in now.

This government wants to treat us the same as MGEU, but we paid much more. MGEU contributions were 10 percent; teachers contributed 16 percent. We paid 6 percent more. Is it fair that we receive the same COLA? What happens to the money the government saved by our paying our own long-term disability? Should we get that back? COLA was not to be a gift; we paid thousands of dollars for it.

Something to think about—does the government normally give the citizens more than is required? We are being told that the COLA was never supposed to be 100 percent, only 66-and-two-thirds percent. If that is true, why was 100 percent COLA paid out in 13 of the last 31 years? In another four of those years, the COLA was 98.1, 98.9, 96.7 and 99.0. Another five years, it was over 70 percent. Does it not make you think that a full COLA was the intention? If we receive a full COLA, we maintain our purchasing power. If we receive less, we lose purchasing power every year.

In speaking with a non-teacher friend the other day, she made the point that, if our dollar does not go so far as it did, we will have to make some choices. For instance, we may choose to pass up our regular coffee with friends at the local coffee shop, which

means fewer patrons for the coffee shop, fewer staff needed and so on. I thought it was a good point. All of our actions impact on others.

I retired in 1999. My dollar is now 89.2 cents. For every \$100 purchasing power in 1999, I now receive \$89.20. This is a loss of \$10.80 out of every 100. With the price of housing, gas, food, utilities and clothing, you can easily see what a loss that is.

Now that my teaching days are over, I feel that, as a retired teacher, I have been ignored or, even worse, abused by MTS and the government. On June 30, we, as active teachers, are an important part of MTS. Twenty-four hours later, on July 1, as retired teachers, do we cease to have value? It seems that we are no longer part of a powerful organization, but RTAM is part of MTS.

If we think of the demographics of our country, we know that the number of seniors is increasing rapidly. We need to be sure that our seniors are treated fairly. Every one of you will one day be a senior. How will the government of the day treat you? We should, maybe, be remembering the golden rule.

I am not happy about the Sale report. To me, it should be a working document. All parties agreed to some parts of the report. It would make sense to implement those parts and continue to work on the other areas.

Would any of you in your jobs consider a contract that said, we will not discuss this again for 10 years? Would you be willing for your purchasing power to go down every year? When we think of the economy as it is today, who can say what the situation will be in 10 years' time?

The proposed 66-and-two-thirds percent is not guaranteed. The Sale report does not say, you will be guaranteed a two-thirds COLA. It says, capped at two-thirds. If there is a maximum, what is the minimum? There is no mention of increasing the amount of money in the PAA, which funds the COLA. If there is no money in the account after all of our years of contribution, do we get nothing?

I was also not pleased with the way the plebiscite was handled. RTAM had no input. We were told that it would be done. I'm sure the \$100,000 could have been put to much better use, the COLA account perhaps. The vote was far too fast for everyone to have all the information needed to make a good decision. I know of people who did not get a ballot and some who received their ballot too late to have it

returned on time. The closeness of the results tells me that this issue needs a lot more work.

MTS, RTAM and the government need to sit down and work together to solve this problem. We do need to have the government admit that there is a problem. There is plenty of blame to go around for the causes of the problem. We need to get past the blame and on to a fair solution. Other provinces have had a similar problem and worked it out. It makes sense to me that we find out how they did it and, if some of their ideas work for us, then we use those ideas and continue to work together. That solution has to come from all parties concerned.

We retired teachers have not lost our ability to think and plan for ourselves. We do not need MTS and the government to dictate to us how things will be. We need to be involved in the solution to this problem. We need to have the same power that MTS has. We are a long way past the days of grandma and grandpa sitting on the porch, waiting for death. We are active and involved in life. We contribute many volunteer hours to our communities and ask only that you treat us as you would like to be treated.

Wouldn't it be wonderful for this government to be known as the government who stepped up to the plate and solved this problem in a way that was fair to all of us?

Edith Furdievich

* * *

My name is Jag Malik. I am a retired teacher and am member of Retired Teachers' Association of Manitoba. I am making this submission as a private citizen.

Bill 45 reduces my benefits. My pension is deferred part of my salary which was to be paid to me after my retirement.

I negotiated my salary in good faith; pension was part of compensation package. I paid premium for that package all my career. Now I am retired and am not getting what I had negotiated as contract i.e. I will get formula calculated pension at retirement and a cost-of-living allowance—COLA—will be paid from a special fund created from my pension premium and that cost of living allowance will depend upon plan's ability to pay. It was understood that COLA will be up to cost of living with a certain maximum. If cost of living was 3 percent then COLA will also be 3 percent if sufficient funds were there.

Now Bill 45 is putting restriction that COLA will be paid up to two-thirds of cost of living. This is a reduction in my negotiated benefits. This is unfair and unjust.

I paid for my benefits and I must receive benefits as negotiated. Any thing paid less than negotiated benefit is stealing.

I believe the committee receiving submissions will be fair and just.

Thank you for your time.

Jag Malik
Gilbert Plains, Mb.

* * *

Broken Promises. Half-Truths, Misleading Statements, Manipulation, and Moral Bankruptcy

As a retired teacher, past-president of the St. James Teachers' Local, past-president of the St. James Principals' and vice-principals' local, and former Superintendent of the St. James-Assiniboia School Division, I feel betrayed by the Manitoba Teachers' Society. If the students in classrooms today were made aware of the Gestapo tactics used by the MTS in an attempt to sway the COLA vote, their current teachers would completely lose face. What student could possibly relate to a society of teachers that is morally bankrupt, promoting the cheating of their retired colleagues of their promised pension increases?

I was a working teacher back in the 1970's when we gave up a fully paid disability plan in exchange for an improved COLA. If I remember correctly, that year, retired teachers were given a 6 percent increase in COLA when the cost of living had increased 9 percent. We felt this to be grossly unfair to our retired colleagues and so the working teachers gave up a benefit to improve their colleagues' pensions. Improve meant better than 6/9 percent, indeed it was meant to be full COLA. The recent actions of the Manitoba Teachers' Society on the COLA issue have left me disillusioned about my former professional organization. Half-truths, misleading statements and lack of involvement of those immediately affected have no place in a profession.

Currently, retired teachers still have the possibility to receive a full COLA and indeed did so not so long ago. Bill 45 would restrict retired teachers never to receive a full COLA, at least for the next 10 years, by which time many will no longer be alive. Under

Bill 45, COLA would be restricted to a maximum of two-thirds, most often much less. Is this fair treatment for a group of dedicated teachers that voluntarily gave up a significant benefit in order to improve pensions; an improvement that cannot happen under Bill 45?

While I know that the current COLA fiasco was not initially of the current government's making, only the government can correct the problem. I urge the government to take this opportunity to do so. If the government continues to act in concert with the Manitoba Teachers' Society then the government will be complicit in a true travesty of justice, a travesty that will last for at least 10 years. Be aware that the Sale report was approved by teachers by a very slim majority of 52 percent to 48 percent, with less than half of those eligible casting their ballot. Is this result even statistically significant? Many teachers who were eligible to vote were disenfranchised since they did not even receive a ballot or were given insufficient time to respond. This slim majority was achieved only through significant money being spent by the Manitoba Teachers' Society in attempts to sway the vote, not only through ads in the press and radio but also through letters to teachers, both active and retired. Those of us that are retired, although vehemently opposed to Bill 45, obviously could not afford to mount a campaign in opposition to the MTS. This slim majority should not be read as approval of Bill 45.

Retired teachers need to be heard and need to be listened to. Retired teachers need to be a major part of the decision making process affecting their pensions. We are those who are affected by Bill 45. Most retired teachers already are living on much less than 90 cent dollars and this is worsening every year. Where will we be in 10 years with less than two-thirds COLA? Where will we be if inflation becomes rampant? Currently, Manitoba retired teachers receive one of the worst, if not the worst, pensions in Canada. Does the government really want to be known for aiding and abetting this human disaster?

I strongly urge the current government to abandon Bill 45 and create a Bill that will solve our COLA problem, not make it worse. At the very least, Bill 45 must be limited to 2 or 3 years while a far better solution is formulated, a solution that is both long term and fair.

Tom Carlyle

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My name is Jamie Krutkewich.

I am here to show my support for Bill 45, the amendments to our pension plan.

I have been teaching for several years and I hope to retire one day. That is why I am here.

Each month a large chunk of my salary goes towards my pension plan. I really don't think about that money very much. I just trust that when I'm ready to retire my pension will be there.

I elect the provincial executive of The Manitoba Teachers' Society to look after things like my pension plan so I can concentrate on what I do best—teach.

One of the things I teach my students is how important it is to take responsibility for your actions, especially when you make a mistake.

I've been following this pension issue very closely for several months. I've read the Sale Report, I've read RTAM's newsletters and e-mails and I've read the information that MTS has sent out.

One thing has become very, very clear to me, and that is that people made mistakes. Big mistakes. And from everything I've read—and heard—the people who made those mistakes are not taking any responsibility for their actions. In fact, they are blaming the very people that I elected.

I'm sure that you will hear many people make presentations about money, about contribution rates, or about how much COLA will cost.

But I came here to talk about honesty and integrity. It's not that I think the numbers and the money aren't important. As I said earlier, I've followed this issue closely and I understand completely the financial problems that our pension plan is faced with and what is necessary to improve and protect the financial status of our plan. What has troubled me more than any of that is how RTAM and its members have personally attacked my elected leaders. The emails and letters that have been published and widely distributed in the past several months are not only disrespectful, they are absolutely shameful.

I would never accept the type of behaviour I've seen from my students. So I felt compelled to come here and tell you how disappointed I have been to see RTAM members dishonour the very traits that people respect in teachers.

I'm sorry that financial mistakes were made, and I'm willing to do my part to help make our pension plan secure and sustainable. I hope that this government does the right thing and passes Bill 45.

I'm proud to be a member of an organization that has been a role model and has demonstrated the kind of respect and integrity that I try to instil in my students.

I appreciate the opportunity to share my thoughts with you.

Thank you.

Jamie Krutkewich

The Legislative Assembly of Manitoba Debates and Proceedings
are also available on the Internet at the following address:

<http://www.gov.mb.ca/legislature/hansard/index.html>