

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON INDUSTRIAL RELATIONS

Tuesday, February 27, 1990

TIME — 8 p.m.

LOCATION — Winnipeg, Manitoba

CHAIRMAN — Mr. Edward Helwer (Gimli)

ATTENDANCE - 11 — QUORUM - 6

Members of the Committee present:

Hon. Mmes. Hammond, Mitchelson
Messrs. Ashton, Burrell, Gaudry, Ms. Gray,
Messrs. Harper, Helwer, Pankratz, Patterson,
Ms. Wasylycia-Leis

WITNESSES:

Mr. Lorne Morrisseau, Private Citizen
Mr. Robert Watson, Human Resource
Management Association
Ms. Bev Seman, Private Citizen
Mr. Rob De Groot, Private Citizen
Ms. Jacqueline Smith, Private Citizen
Ms. Sharon Christensen, Private Citizen
Mr. Pat McDonnell, Private Citizen

MATTERS UNDER DISCUSSION:

Bill No. 31—The Labour Relations
Amendment Act

* * * *

Mr. Chairman: Okay, I call the Standing Committee on Industrial Relations to order. This evening the committee will resume hearing public presentations on Bill 31, The Labour Relations Amendment Act. I will shortly read off the names of presenters where we left off this morning.

If there are any members of the public who wish to check to see if they are registered to speak to the Bill, the list of presenters is posted outside of the committee room. If members of the public would like to be added to the list to give a presentation to the committee, they can contact the Clerk of Committees and she will see that they are added to the list.

If we have any out-of-town presenters who have to leave shortly, or any presenters who are unable to return for subsequent meetings, the Clerk is going to come and—I understand we have one person from out of town and one who would like to leave shortly, so we will get their names.

Just prior to resuming public presentations, did the committee wish to indicate to members of the public how long the committee will be sitting this evening? Mr. Ashton.

Mr. Steve Ashton (Thompson): I believe we have been sitting till eleven o'clock.

Mr. Chairman: Is that the will of the committee, eleven o'clock?

An Honourable Member: Or shortly thereafter, depending.

Mr. Ashton: If we are in the middle of a presentation, obviously we would hear the person out, and not bring them back. I suggest we—

* (2005)

Mr. Chairman: Eleven, that is fine.

Okay, we have two presenters. One from out of town and one who would like to leave. The first one is Lorne Morrisseau, No. 20 on your list. Would you please come forward? Have you a written presentation, Mr. Morrisseau?

Mr. Lorne Morrisseau (Private Citizen): Yes, I do, Sir.

Mr. Chairman: Would you like to distribute it to the Clerk, please? Okay, you may proceed, Mr. Morrisseau.

Mr. Morrisseau: Mr. Chairperson, I wish to thank you for allowing me the opportunity to express my opinions on final offer selection.

Who is able to say that they enjoy strikes and lockouts? I am convinced, Mr. Chairperson and Members of the committee, that you will agree with me that no one does.

A nation-wide trend of third-party involvement in labour disputes appears to be emerging. It may be seen by the increased use of mediators, arbitrators, conciliators, and other Government representatives in efforts to arrive at negotiated settlements.

There is now more and more reason to believe, therefore, that if and when impasses occur in upcoming negotiations in the private and in the public sector that the involvement of a third party will certainly occur.

One of the methods now being examined as a means of resolving bargaining impasses is the process called final offer selection. Final offer selection, while not a new idea, is being examined with renewed interest. Obviously, many approaches and evaluations of the collective bargaining process as it exists today must occur if equitable settlements are to be found in future negotiations.

Breakdowns in our bargaining process bring negative results to everyone concerned. Interruptions in earnings during strike periods cause economic hardship for the employees. By the end of a strike period, they may, but probably not, have achieved real benefits. The employer suffers loss of production and profit. The consumers of goods and services are compelled to

undergo hardships because of the restrictions of service.

Final offer selection seems to provide an alternative by encouraging effective bargaining up to the traditional strike point. When this point is reached, both parties are required to submit their final offer. It is important, however, that this final offer be the one considered most reasonable in the circumstances, because the selector reviews both offers and identifies the offer that he or she will impose upon the parties. Instead of devising a compromise between the positions submitted by the parties, he accepts all of one offer and rejects all of the other.

The traditional approach in mediation, conciliation and arbitration where it applies has been to devise midpoints and compromise positions. In this procedure, both parties enjoy some degree of success with neither party really satisfied.

Both parties are forced to submit their reasonable offer for fear the other party's offer is judged the most reasonable and is consequently imposed. Final offer selection seems to provide an alternative by encouraging effective bargaining without a lot of time-wasting ritual up to the traditional strike point.

* (2010)

The question that remains to be answered is whether the benefits outweigh the disadvantages and this question cannot be properly answered until the FOS legislation has reached its five-year sunset date.

FOS encourages realistic final offer positions eliminating the time-wasting ritual of last-ditch bargaining in which every so often the negotiating team with the most stamina wins out. FOS may prove to be the new gateway to satisfactory settlements. In short, Mr. Chairperson and committee, FOS is favourable over strikes. I urge the committee to recommend that Bill 31 be entirely withdrawn.

Thank you, Mr. Chairperson and committee, for allowing me to appear before the committee. Respectfully submitted.

Mr. Chairman: Thank you, Mr. Morrisseau. There are some questions for you probably. Mr. Ashton.

Mr. Ashton: Right, I thank you for your presentation. One of the items you dealt with is the cost of a strike. One of the arguments that has been put forward in this committee, an argument that I do not accept but has been put forward, is the suggestion that the 60-day window, that the second opportunity that exists to get into final offer selection is going to somehow lead people to go on strike for 60 days so that they can then access that window after the 60-day period.

I am just wondering, given the kind of costs that you have referred to, do you think that is likely to happen if you accept that as an argument? This is one of the arguments that has been used to suggest that we get rid of final offer selection.

Mr. Morrisseau: In answer to your question, Sir, I guess we must rely on the Department of Labour's current

statistics that have been provided since final offer selection has been put into place. I believe, from the material that I have had the opportunity to peruse, there have been approximately 72 applications for final offer selection. A number of them have been achieved in resolution between the parties.

The average period in time for some of the strikes is as low as six to nine day period and not the 60-day, 70-day time frame that has been spoken about. The fearmongers that postulate the fact that there is going to be economic hardship for employers, I think the reverse is only provided in the information from the Province of Manitoba, Department of Labour and their own statistics.

Mr. Ashton: You feel that, far from increasing the length of strikes, because that, by the way, has been the direct suggestion by the Liberal Labour Critic (Mr. Edwards) in particular, that this provision increases the length of strikes.

You are suggesting it is quite the opposite. That final offer selection, if anything, is helping reduce the number of days lost to strike, reducing the length of strikes and, according to your presentation, also in some cases providing alternative to strike totally.

Mr. Morrisseau: Yes, in response to your question, Sir, the information that has been provided by the Department of Labour and their statistics will bear that fact out, that the encouragement of mutually satisfactory selective bargaining processes have reduced that lengthy period of the confrontation and adversarial of the traditional bargaining lockout strike situation.

I believe that impacts quite forcefully in the period of time that we have had to examine FOS to this date.

Mr. Ashton: One question I have been asking of many of the presenters is really something that follows from your point, which is very clearly stated. You believe that the existing final offer selection legislation should be given a chance. It should at least be allowed to continue to the five-year sunset date.

What I have been asking is, whether you have been contacted in any way, shape, or form by the Minister of Labour (Mrs. Hammond), who is proposing we get rid of final offer selection, by the Liberal Labour Critic (Mr. Edwards) who has also supported that?

The reason I am asking is because this Bill does not even allow the final offer selection legislation to go the five-year period. It is being brought in at a time now where it has only been in place for two years. It is not even halfway through the process. What I want to determine quite clearly from talking to the people making presentations is whether anybody bothered to ask you, before bringing in this Bill, because virtually everybody thus far has said they have not been contacted. I would like to ask you, were you contacted about your views on final offer selection by the Minister of Labour (Mrs. Hammond) or the Liberal Labour Critic (Mr. Edwards)?

Mr. Morrisseau: In reply to your question, Sir, I am too quite surprised that the Minister of Labour has not

contacted me for my feelings, given the free and open democratic Government that we believe we have. When these major changes are being put forward, I believe that I am only entitled, like all citizens of the Province of Manitoba, to have my opinion solicited, and those were not done, Sir.

* (2015)

Mr. Ashton: I think you have been doing a very good job tonight about giving your opinion across, and I would like to thank you for your presentation. I hope that Members of the committee will be listening to the presentations that you and the many other people we have seen at the committee have been making, that is, urging people to maintain final offer selection. Thank you.

Mr. Morrisseau: Thank you, Sir.

Mr. Chairman: Are there any further questions? Mr. Patterson.

Mr. Allan Patterson (Radisson): Mr. Morrisseau, Mr. Ashton has asked you if you have been contacted by anyone other than, I guess, the New Democratic Party about your feelings on this. I might ask, are you a union member?

Mr. Morrisseau: Yes, I am.

Mr. Patterson: Are you a member of the executive of your union, shop steward or anything of that nature?

Mr. Morrisseau: No, I am not, Sir.

Mr. Patterson: Well, as I have stated earlier today, our critic, Mr. Edwards, has spoken to some union people. I think you would agree, would you not, that Mr. Edwards or anyone else for that matter could have spoken to several union members or executives, and in fact it would not necessarily follow that—let me rephrase that. The fact that you say, and for that matter all presenters here say they have not been contacted, it does not necessarily follow that other union members or executive have not been contacted.

Mr. Morrisseau: I cannot say who has been contacted. All I can say, Sir, is I know I have not been contacted.

Mr. Patterson: Yes, that is my point. You are only speaking for yourself, as every individual who has been here. Others could have been contacted and you would not necessarily know about it. Is that not true?

Mr. Morrisseau: That is also true and that is also none of my business if they have been contacted or not, Sir.

Mr. Patterson: Thank you, and thank you for your presentation, Mr. Morrisseau.

Mr. Chairman: Are there any further questions? Thank you very much for your presentation, Mr. Morrisseau.

Mr. Morrisseau: Thank you, Mr. Chairperson and Members of your committee.

Mr. Chairman: Our next presenter, Bob Watson, No. 79 on your list. Have you a written presentation, Mr. Watson?

Mr. Robert Watson (Human Resource Management Association of Manitoba): No, I do not, Mr. Chairperson.

Mr. Chairman: That is fine. You may proceed.

Mr. Watson: Mr. Chairperson, Members of the committee, I appear on behalf of the Human Resource Management Association of Manitoba. This is a group of people who are practitioners in the personnel and labour relations field. There are approximately 400 members representing approximately 135 different companies and organizations operating and employing persons in the Province of Manitoba. I am the legislative director of that association and as such appear before this committee. The association represents almost every different type of business and organization in the Province of Manitoba and so we feel has a voice which is representative of the employer point of view on the final offer selection.

Dealing with FOS from two points of view, firstly from the economic consequences point of view, I would like to make several points dealing with economics. Firstly, the economy, as any of you who study the emerging trends of business will know, is gradually turning toward a national and global perspective, where we are trading and where we are competing with companies which are in the United States, across the oceans and in Third World countries. We are competing with those companies and those businesses for the same markets, for the same business and for the same sales as what we compete with a Manitoba or Ontario company on.

* (2020)

Those businesses are not fraught with the possibility of a third party arbitrator imposing an economic settlement on them which they are unable to pay. That is, I believe, an emerging trend in the economic development of the entire world, and that trend must be taken carefully into account when developing labour relations practices that will inhibit, and we suggest inhibit strongly, the methods of competition. It is easy to say that FOS is fair, but it is not easy to say that FOS will encourage the ability of Manitoba businesses to compete. That is how we are going to exist in the next 10 to 15 years, that is on our ability to compete.

Right now, we are not competitive. Our labour costs are too high. This has not improved them. That is the first point I would like to make with respect to economics.

In terms of incentives and what I might call disincentives to business, if a business looks at a place to locate, and they examine a number of different provinces in this country, they come upon some labour legislation in a little province out west called Manitoba, they first of all run into first contract legislation and are told by lawyers and are told by business consultants—and I know, I practise in the field of labour and employment law—that in this province you have two problems.

First, if you are unionized, you can have the Labour Relations Board write the first collective agreement for you. They are told the second problem you will face if you are unionized is that an arbitrator can write every other agreement thereafter for you, and that one of the factors built into the legislation is Winnipeg cost of living—CPI.

They are told as well by people who are familiar with the arbitrators who sit on these matters that the arbitrators do not have any training in business, that the arbitrators do not have any knowledge of the international business trends. They are told that the arbitrators can rarely take apart and put back together a financial statement of a company or understand the guts of a company and how it operates and how it makes money and makes a profit.

If they cannot understand it and are not qualified to do so, how do they take into account the competitive need of the company when looking at FOS? The answer is simple. They do not. The answer to companies who will say, should I locate in Manitoba, would that be a good place to come—the answer from my office and the answer from any labour lawyer who knows the legislation across the country is simple. If there is some other province that would better suit your marketing needs and your transportation needs, do not come to Manitoba. Why? First contract legislation; secondly, FOS; thirdly, a piece of labour legislation that has about 150 different sections in it.

Why do we operate with one 150 sections and Saskatchewan operates with 35 or 40? We do not know, but we know for sure that this is not the place to advise business to locate. It was not the place when we had the payroll tax, and it is not the place when we have FOS.

In terms of the economic development and how it affects companies that are already located here, how it affects their ability to grow and expand, quite simply, would you invest a couple or \$3 million if you had the possibility that a third party arbitrator with no knowledge of your business could mandate what you would pay? Would you invest \$2 million, \$3 million, \$5 million, \$10 million, \$20 million of your own money? I would suggest you would not.

I would suggest that most people who press for FOS do not have \$1 million, \$2 million, \$3 million or \$5 million or \$10 million to invest in business. I would suggest they have not developed business in this country and in this province and are not likely to.

If you look at the economic aspects, I suggest there are only two conclusions. Firstly, the economic development and attraction of companies outside to locate in Manitoba is virtually nil, based on your labour legislation and FOS is a good part of it; secondly, I would suggest that the ability for companies that are located here to compete globally with the possibility of imposition by FOS of what they will pay is not good. It is a disincentive.

* (2025)

If we look beyond the economics and we look at what the process of FOS has done to the labour

relations climate, I would like to start with what the object of the Act is. The object of the Act is supposedly, theoretically, to promote harmonious relations through the practice and procedure of collective bargaining.

If you examine what happens in reality, FOS applications are made oftentimes without a first meeting for bargaining. Sometimes they are made after the first meeting and proposals are exchanged. Certainly the FOS process does not encourage the obligations under the Act of good-faith bargaining and the obligation to make every reasonable effort to conclude a collective agreement. Instead, what it promotes is to make the FOS application and after having made that application, let us let the employer know that we have just initiated the little lever that is called FOS and that they should be reminded that FOS says that CPI is one of the factors to be taken into account in the legislation and ask them whether they would like to go to Russian roulette or whether they would like to settle with us amiably.

I would suggest to this committee that FOS is used quite simply as a lever in collective bargaining. It is used as a legislatively obtained lever, a lever to put the parties on an unequal footing, a lever to put one party at an advantage in legislation instead of an equal playing ground.

The practice of use of FOS certainly does not encourage collective bargaining. Why would you need to bargain if you can go to a final offer selector and obtain CPI or close to it? Why would you need to bargain if you could use FOS as a lever to eke out, to squeeze out of the employer something that they could not afford but they would sooner not take the chance of an FOS arbitrator ruling in a way that would damage their business? The employer will not take the chance.

Of all of the applications you have seen filed, some 72 applications, very few of them have come to the point of a final offer selection decision. Employers, like anybody who has been before an arbitrator or a judge, do not know what the outcome will be, but they are not pleased with the possibilities. So instead of that, they take the second but again unpreferable alternative, which is to give as much as they can to try and avoid the process, to try and avoid having a third party decide their economic future for them. That is the process of final offer selection.

In a recent round of bargaining, the first comment that was made was here are our proposals, some 20 pages of proposals, and if do not like them and you do not think you can agree to them all, just let us know, because we will apply to FOS. We do not really need to meet again until after the FOS hearing has convened. Does that promote collective bargaining? Not in practice; not in procedure. The main object of the Act is to promote the practice of collective bargaining. This is a disincentive to that practice. This is unequal footing.

If you examine the two reasons that we submit, one is the economics and one is the long-term economic base of this province. The second is the use of a lever of an unequal footing, of a resort to practices other than collective bargaining to obtain something in bargaining which the union without FOS would not obtain.

We conclude quite simply that this process is not desirable. If parties, the union and the employers, wished to have arbitration settle their differences, they could agree to have the aspects, all of them, the provisions of The Arbitration Act apply, and they could agree to arbitrations under that Act to settle each and every outstanding issue. You will find very few who have done that, employers and unions. The union promotes it as such a good thing; the union thinks it is the best thing since sliced bread, but ask how many of the unions went to the employers before FOS and said look, let us agree under The Arbitration Act to submit all of our disputes that we cannot settle to arbitration. You will find very few of those. It just was not a process that the parties were comfortable with because the outcome could favour one or the other to the disadvantage of the "losing party."

In summation, for the reasons we have stated, the Human Resource Management Association is in favour of the repeal of this legislation. Thank you very much, Mr. Chairperson, Members of the committee.

Mr. Chairman: Thank you, Mr. Watson. Mr. Ashton.

Mr. Ashton: I want to deal with what you are saying in terms of the economic situation in Manitoba. I have asked this question previously in the committee hearings. There has been an advertisement put out in terms of Manitoba that states that we have a skilled and stable work force. It goes on to state that we have a reliable and productive work force plus consistently good labour-management relations, which have given Manitoba one of North America's best labour reputations.

Are you saying—I am not trying to read anything into your presentation that you are not saying—that you would agree or disagree with that statement?

* (2030)

Mr. Watson: I would say, Mr. Ashton, quite simply that the brochure or information you are referring to is like the promises on a wedding night. It all sounds very good until about three years after the marriage. When you get there and find out what the labour legislation is really like, you say, should we have invested several million dollars, and my answer is, the labour relations climate is not sufficiently stable to warrant investment, firstly, and secondly, that the labour legislation is not sufficiently neutral to warrant investment in this province.

Mr. Ashton: The reason I ask you is because that was put out in a number of business publications by the Minister of Industry, Trade and Tourism, Mr. Jim Ernst. It is also endorsed by the Manitoba Industry, Trade and Tourism Branch. It is part of what they are telling people. It does reflect, by the way, the statistical situation in Manitoba. You said that we do not have a stable situation in terms of labour relations. But is it not a fact that last year we had the second lowest number of work days lost due to strikes in the country and the lowest number of work stoppages, in particular the lowest number of work days lost due to strikes in 17

years? How can you say we do not have a stable labour relations climate when the statistics, and I believe this analysis, indicate that we do?

Mr. Watson: Mr. Ashton, if you have spent any time with an accountant, you will know that figures can be used for whatever purpose the purportor would like to use them for. If you examine the process of looking at what the reasons are for the low strike situation, you fail in your analysis to take into account such things as the difficult economic environment in Manitoba, the fact that if unions in the past several years had pressed their positions at the bargaining table there would not have been some businesses and some jobs open. You fail to take into account probably 15 other things that reflect and have an impact on the figures that you purport, and so in response, quite simply, Mr. Chairperson, the analysis I would not agree with. I would submit that there are many reasons for the figures that are quoted.

Mr. Ashton: I am not denying there are many reasons. I have said that in the committee, but you said there was not a stable labour relations climate. You disagreed with the statement that we have one of the best labour reputations in Canada.

What I am suggesting to you is that the statistics—there may be 17 or 18 or 19 different reasons behind the statistics, but it is hard to look at the facts and say that we do not have a stable labour relations climate or one of the best labour reputations in Canada.

I have quoted to you the Conservative Government's own view, this is the Minister of Industry, Trade and Technology (Mr. Ernst). I quoted to you the statistics. Do you not feel, regardless of your opposition to final offer selection, and I recognize there is a philosophical difference we may have on it, that in actual fact we do have a pretty stable labour relations climate? We have consistently had a good record, and we have had one of the best records ever in 1989.

Mr. Watson: As in any cross-examination, the person being examined is not obliged to agree to the suggestions of the examiner. In this case, I disagree with the suggestions of Mr. Ashton.

Mr. Ashton: Quite obviously. Just as I said, it is not that often that I quote the Conservative Minister of Industry, Trade and Tourism. I believe—

Mr. Watson: Only, I am sure, when it is to your advantage, Mr. Ashton.

Mr. Ashton: Pardon me?

Mr. Watson: Only, I am sure, when it is to your advantage.

Mr. Ashton: I will quote what I consider in this case to be a pretty objective source, given the biases of that Minister. He is the one that has put out this document, and the statistics, I believe, show that.

I just want to deal further with what you are suggesting. I am having some difficulties in dealing with

some of the concerns you have raised. You seem to have some great difficulty with the provisions in the Act. I have it before me, Section 94.3(8), with the Consumer Price Index for the City of Winnipeg being one of the factors that is looked at.

You have a difficulty with final offer selection because one of the factors it is based on is the cost of living? You mentioned the cost of living several times as if it was a major, major problem. I was wondering if you would elaborate on what your concern is in terms of the CPI, as it is used in final offer selection.

Mr. Watson: I think, quite simply, Mr. Chairperson, the use and the specification of CPI leads the arbitrator who is hearing it to focus on that factor. It is the only factor other than ability to pay, which is specifically delineated. The others are very general.

If the Act had gone on and said that the arbitrator shall take into account such things as the global economy, the positioning of the company, and the economic competitive situation in North America and in its markets, and the arbitrator shall have such qualifications to be able to judge these matters, then maybe there would be some fairness in the application of the procedure. Our disagreement goes far beyond that. It goes to the point of saying, quite simply, how can you ensure you are going to be competitive globally if you can have a settlement imposed back home?—a settlement of your wages, a settlement of your benefits, a settlement of all of your costs under the collective agreement, when your competitors have no such thing. Try and compete on those bases if the major costs of operating your business is personnel.

Mr. Ashton, I am maybe speculating a little, but I would speculate you have not operated a major business that is a competitor globally or internationally. I would suspect that you have not been involved from a point of view of labour relations, and have not been involved from a point of view of determining what the problems are in applying the legislation. I would suggest quite simply that it is easy to be an armchair labour relations person but more difficult to be a person who is on the firing lines, operating a company.

Mr. Ashton: Mr. Chairperson, I have also been through two strikes and do not want to see a lot of people go through the experience that I had to go through. I do not know if you have had that experience and I am not suggesting that I have had the greatest amount of experience of that either. I do not want to personalize it, but I would suggest perhaps that you might want to look at the situation that faced some of the presenters before the committee, for example, people who came here from SuperValu and went for months on end and saw their livelihood taken away, by people who saw their savings wiped out. We had a presenter from Shoppers Drug Mart here this morning who talked about the experience in the 1985 strike at Shoppers Drug Mart.

If you want to get into personal experiences you can say what you want in terms of my own background. I would be glad to sit down with you personally and explain why I have come to the conclusions I have on

labour relations and on this particular Bill, but I would suggest that you might also want to ask yourself that, because I believe that is something that we all should look at: the experience, not just our own experience, but the experience of other people and what they have gone through.

* (2040)

One of the reasons I am asking you these questions is because you made a very blunt comment. You said you had a problem with the Consumer Price Index. You have now mentioned that there is—and I want to quote the section, it refers specifically to the employer's ability to pay. Other factors that are included are obviously the terms and conditions of the existing and previous collective agreement—it says right in the Act. Other factors that are included are the terms and conditions of employment, if any, negotiated through collective bargaining for employees performing the same or similar functions in the same or similar circumstances as the employees in the unit, and a specific section which talks about fair and reasonable being the selector's responsibility—to determine the most fair and reasonable offer.

I am having a bit of difficulty here. You said you had concerns about CPI because of the global situation, but the Act itself includes provisions to protect the company in terms of the employer's ability to pay and in terms of work performed by other employees in similar circumstances and also makes specific reference to being fair and reasonable. Why in your presentation did you have such a great concern about the CPI? Why did you not refer to the other factors which, to my mind, balance it as equally from the business side? It specifically says in there the ability to pay is one of the major factors that is taken into account.

Mr. Watson: I think, Mr. Chairperson, quite simply, the legislation I am quite familiar with. When you examine the legislation and then go and examine the awards that have been published on FOS and ask yourself: do these awards take into account such things as the competitive position of the business; do they take into account their ability to compete in the province or nationally or internationally; do they take into account such things as whether the business will be financially viable; do they take into account such things as, do the employees really want what is in the FOS offer; do they take into account such things as, will the settlement promote the objects of the Act; will the decision of the arbitrator promote the object of the Act to promote harmonious relations?—take into account some of those factors, you will see, if that was his basis of an award, the CPI would not accomplish some of those things. It is only a partial factor, only a small factor to be taken into account, but would not accomplish, in our respectful submission, those things which I suggest. There are many more.

Mr. Ashton: One of the other things you suggest is that we somehow have high labour costs in Manitoba. Are you suggesting that we have higher labour costs than other provinces—Ontario, for example, Quebec? Because I have seen the statistics in terms of incomes

in Manitoba and we have traditionally been somewhat below the national average, not substantially below, but somewhat below the national average. I am just wondering what you are basing that observation on. Are you suggesting that we somehow have high labour costs here in Manitoba compared to other provinces?

Mr. Watson: My suggestion was quite clear, Mr. Chairperson. We are needing to compete in a national, international and global economy. The wage rates we pay in Manitoba for products that can be produced, whether it is in Peru, whether it is in China, whether it is in Japan or whether it is in the southern States, the product prices that we produce them at take into account a much higher labour cost.

Granted there are some provinces in Canada that have higher rates and also granted there are some provinces that have significantly lower rates. Look at the Maritimes, for example, it is not just the wage rates in Canada, it is the wage rates nationally, internationally and globally. It is not any more a proper description of the business climate to say that we are on an island in Manitoba, that we do not stray off the island. We must be able to compete with all of the other islands or else we will be a vacant one, businesswise.

Mr. Ashton: Well, I find it interesting, because when I was listening to your presentation I thought you were arguing that we had high labour costs. Now you are suggesting we are higher perhaps in some provinces and lower in others. I thought that was the connection with final offer selection.

I am wondering now, you have said there are other provinces which have a higher labour cost than we do, some which have a lower, none of them have final offer selection. Obviously final offer selection is not the real reason. You are comparing the labour costs with, you mentioned, Peru and China. Now I have not been to Peru and I have not been to China, but I believe the wages there, you would be lucky to get what our minimum wage is right now, about \$4.70 an hour, in one day. Are you suggesting that we should somehow be structuring our labour relations legislation to "compete globally" with Peru and China? I am just wondering, I mean if we are going to not have final offer selection so that we are going to have to compete with Peru and China what else do we want to eliminate. You mentioned first contract. You mentioned you do not like our labour relations Act, the 135 provisions.

I just want to ask really where do you draw the line? How far do we keep going so that we can be competitive with—and you use the examples of Peru and China. What do you want to see us do besides get rid of final offer selection?

Mr. Watson: I think quite simply the position is that we must compete nationally, internationally and globally. I did not compare just China and Peru. I also made reference to the United States.

If you sell a piece of furniture in Manitoba that is produced in Manitoba, that can be produced in the United States for three-quarters of the cost, and if the labour cost component of that is significantly higher

in Manitoba, the production will be done in the United States. It will not be done here. Canada does not have, and neither does Manitoba in particular have, a lot of natural resource. It has its people as its resource. I am suggesting quite simply that the labour legislation must be drafted and must be put together to take into account and allow businesses to compete globally, not just to compete provincially or interprovincially but to compete globally.

Mr. Ashton: Perhaps you have not had the opportunity to travel in northern Manitoba, and I can assure you we do have a lot of natural resources.

Mr. Watson: I have been there many times, Mr. Ashton.

Mr. Ashton: Well, you just said we do not have a lot of natural resources and as a representative from Thompson I can point to an excellent example of what we do have. If we want to get into specific examples, if one wants to look at the situation Inco—workers at Inco earn \$14-\$15 an hour and upwards. I suppose Inco's plant in Indonesia probably pays less than that, but we have one of the most competitive nickel mines in the world for a number of reasons. One is technology, and the second is—and I think it is probably the second last time I am going to have to agree with the Minister of Industry, Trade and Tourism (Mr. Ernst) from the Conservative Government—but we have a skilled and stable work force.

I would submit to you, we can compete and it is because we have a skilled and stable work force. I would submit, we can compete far better when we have legislation such as final offer selection which leads to a stable labour relations climate. I would also submit to you that really you are not here to oppose final offer selection, as I understand it; you are here to talk about a substantially different view of the world. Really you are here I think to oppose virtually everything in The Labour Relations Act that has been introduced, probably—I do not know how far you want to go back. You want to repeal by your comments today everything we have introduced in the 1980s. It seems you probably want to go back to the 1972 law.

I really ask that question quite seriously because, how far do you want to draw the line? How far back do you want to go? How much of The Labour Relations Act do you think we have to repeal to be competitive? You mentioned the southern United States. Sure, they do not have final offer selection; they do not have first contract; they have right to work legislation, which in many cases prevents people from being able to unionize. They have minimum wages there that are half to two-thirds of what we have. I am trying to get some picture of where you want to draw the line and what further you feel needs to be done. How much more should we be rolling The Labour Relations Act back, in your opinion?

* (2050)

Mr. Watson: Mr. Chairperson, the comments that we make today are directed to final offer selection. I will not be making any comments beyond that, nor will I be asking or answering any questions beyond that.

Mr. Ashton: That is fair enough. I recognize that we are not the United States yet. We do not have the Fifth Amendment. But I appreciate that. You do not have to answer that question, but I did ask it quite seriously because you are talking about this global economy. I assume you are also prefacing that in terms of the impact of the Free Trade Agreement. That has been one issue that has been brought before this committee earlier.

But I did want to ask you—we have had many presentations from people in committee and you talked about having an “equal playing ground.” You have said that final offer selection does not encourage bargaining. Most of the people who have come to the committee said in many cases it has. We had an individual who came here who was opposed by the way to final offer selection initially, who indicated that in his experience in several cases it probably saved the plant, because the alternative was a strike situation that could have continued indefinitely. He said in his experience, and this is by the way from somebody who opposed final offer selection initially, that as many as 400 jobs could have been saved.

I am wondering if you have talked to any of these companies in terms of what has happened or talked to the people involved in those contracts, because you have talked about jobs and the global economy. Surely, do you not feel that saving jobs, as that particular individual pointed out happened under final offer selection, is important, or are you suggesting that there are other factors? You do not feel that is something we should be looking at?

Mr. Watson: If I have the details correct, Mr. Ashton, you are talking about some meat processing or packing plants. Is that correct?

Mr. Ashton: There was also another plant which was not in that field.

Mr. Watson: But the primary thrust of the information as I understand it that was presented was in respect of meat processing plants. I would go on to say quite simply in respect to the meat processing plants, the submission as I understand it was made by a union and was to the effect that FOS had saved these jobs because they had not gone on strike.

I do not have all of the details, but my response to your question will be very simple. It is a matter of opinion whether FOS saves positions. If you ask someone on the union side, they would say it saves many positions when it would benefit them to maintain legislation. If you ask somebody on the employer's side, they might say that the process of FOS was the only realistic alternative because they could not agree with the union's position in bargaining.

There are many different points of view on the subject and how it was applied and what it really meant about saving jobs. I think that I would be very hard-pressed to find an example of an employer in this province that would say FOS saved positions and FOS saved their company.

Mr. Ashton: Actually what had happened in that particular case is the company and the union had gone

from a position of absolute confrontation in terms of labour relations, they have been through a lengthy strike, final offer selection really helped them get back to the bargaining table, and they are currently involved in a program of improving labour relations. It has been recognized by all that was the case.

I raised this by the way because the presenter indicated quite clearly that he had been opposed to final offer selection, so it was coming from that perspective, not from someone who had supported it right from the start.

I just want to go a little bit further, and I know that you do not want to get into the question of where we draw the line. You have talked about final offer selection and first contract really in the same breath, so obviously you have a particular concern of that nature.

What I do want to ask though is—and this was a point that was raised by the presenter from the Winnipeg Chamber of Commerce actually. He said he was not really questioning what final offer selection did in terms of providing a reasonable settlement. That was not really the question. I am just asking you in that same situation just to be fair, because we did get into this a bit earlier, are you disagreeing with that statement?

His concern was more in terms of the process, the potential situation of a settlement being developed by an outside party, which has happened in five of 72 applications but that was not really being contended. Do you agree with that statement from the Winnipeg Chamber of Commerce, or do you still feel that despite the fact that it is in the Act that final offer selection does not result in reasonable settlements?

Mr. Watson: Quite simply, I feel that the FOS imposition does not result in some cases in settlements which the company has the ability to pay.

Mr. Ashton: Although the ability to pay is right in the Act, why would the settlements be developed in terms of final offer selection without an ability to pay when it is right in the Act, Section 94.3(8)(4) Subsection (e)?

Mr. Watson: It could be, Mr. Ashton, for many reasons. It could be, for example, that the arbitrator cannot read a financial statement. It could be that the arbitrator has no training in business. It could be that the arbitrator does not understand business. It could be that the arbitrator had a position where he had a wage decrease offered by an employer and a wage increase offered by the union and took something on what he thought was the fair side, a wage increase, but still not within the ability to pay. It could be that the arbitrator simply was not qualified to judge the business's ability to pay. There are many reasons why it could be.

Mr. Ashton: The problem then as I see it according to your view is not so much final offer selection but the arbitrators. It seems to me that you could just as easily take the argument that you have made and say we need better arbitrators rather than getting rid of a law, an entire law, because of that. You are really saying that it is not a question of what is in the Act, your concern has been in terms of how it has been dealt with.

Mr. Watson: Mr. Ashton, you might like to reduce the submission to that single point, but I would not agree with such a reduction, nor would I agree with your suggestion.

Mr. Ashton: I was just trying to follow from what you have been saying, but I am having some difficulty because it seems from your comments to me and the comments on this that you feel somehow that the only people who are really capable of commenting on this are people who have \$2 million or \$3 million to invest in a business. I am involved in a small business, and other people at this table are. I make no bones about that. I have worked, gone on strike, and make no bones about that. Do you not feel that there is room in this whole debate and discussion for looking at what has been happening in a lot of these workplaces? You talked about the 72 situations. Only five of them have gone to the selector stage. The vast majority of other cases have continued with collective bargaining.

If final offer selection is so negative, in your view, why have only five gone to the selector stage, and out of those, why have we ended up with a situation where it has been even? It has been three and two throughout the whole process. It has been one and one, two and two. I believe it is three and two now, in terms of the applications. I am just trying to determine, apart from your global concerns about where you draw the line, what your real problem is with a mechanism that by most definitions appears to have allowed collective bargaining to continue. Five out of seven to the selector stage means 67 out of 72 have been resolved.

Mr. Watson: Mr. Chairperson, the question of why more have not gone to the selector decision stage is an interesting one. It involves some analysis from the company's point of view of the reasons why they chose to settle before FOS. Having been involved in the process, I would suggest that some of the reasons are the same as some of the reasons why parties to a dispute do not go to court. They have no idea of what the judge will rule, as in the final offer selection process, they have no idea of what the arbitrator will rule. It is a Russian roulette process. Instead of facing Russian roulette, the employer says, let us get the best settlement we can. Sometimes we believe that we cannot afford it, but let us take it because it is certainty rather than taking the uncertainty of having a much higher settlement that we certainly would not be able to live with. There are many reasons. Those are some of them.

Mr. Ashton: Is there not also the other side? I know you have categorized the employee side as squeezing out money from the employers. You talked about your concerns in terms of CPI. We have seen contracts where the company's offer has been zero. We had a presenter come in and say the company offered three dollars less an hour. We have heard people come before the committee and say that they have been in situations where the company has said, you will receive no guarantee of hours. That was one of the big disputes at SuperValu.

These people then have the choice of accepting that contract or going on strike, and then sitting there for

three months or four months, seeing people cross the picket line take their job away. I just do not see how you can talk about employees as one-sidedly squeezing out, whether it be the CPI, which I by the way do not consider to be that unreasonable, receiving a pay increase which is tied to the cost of living, but is there not also the other side? Are they not also faced with the risk?

Is it not perhaps the fact that we have 67 out of 72 settled before it has gone to the final offer selection stage, more of a reflection of the fact that both sides have to make some very tough choices? Both sides have to be very reasonable and put in offers that they feel are fair and reasonable. That is what final offer selection was intended for. I just do not see how you can portray this as being so one-sided when the employees face as many difficult situations, difficult choices as the employers do.

* (2100)

Mr. Watson: Well, I think simply, Mr. Chairperson, this is now devolving into an expression of advocacy on the part of Mr. Ashton that relates to philosophical differences, and that is the only way in which I would respond to that.

Mr. Ashton: My intention really was not to talk about it in terms of philosophy. We have had a lot of people come before this committee who certainly have been talking about philosophy. They have been talking about the real situation they have been through, and I was just trying to give the opportunity to address that. We have had many people come here and say they support the maintenance of final offer selection, not because it give them the ability to squeeze something out of employers, but because it has given them an alternative to a strike situation that they felt was not in the best interest of anyone.

Incidentally, we had people come before this committee who walked the picket line for SuperValu. We have had people come before this committee and say, it was not just the people who were on strike, it was the strikebreakers, who said they wanted another way, a more reasonable way. I apologize if you took it as being strictly a philosophical debate. I was really trying to deal with what I saw as the balance. I just want to indicate that we obviously do have a disagreement. I do not believe it is a disagreement of philosophy, I believe it is more fundamental than that. I do not believe we should be shifting that line. I do not believe that we should be going to the lowest common denominator in labour relations, trying to be like Peru or China. I do not mean to be unfair to you in your arguments, but those were the countries you did use. Yes, we are going to have some disagreements, but I would hope that you would respect—

Mr. Chairman: Mr. Ashton, I wonder if I could call you to order, and if you could question the presenter rather than get into a debate with him—

Mr. Ashton: I am not getting into a debate.

Mr. Chairman: You are here to question his presentation, and we would like you to stick to that format, please.

Mr. Ashton: I was just concluding my remarks, Mr. Chairperson, by saying that while some of us do not have \$2 million or \$3 million to invest globally, perhaps some of us do not have what you would consider the ideal background to comment on this, we do live in a democratic society. I respect your right to come before this committee and make your presentation. I hope you will respect the views of the others who made their presentations and those of us who are on the committee.

By the way, it is not a philosophical issue for me, it is a fundamental issue of fairness. I appreciate your coming before the committee, and I do hope perhaps that you will take the time to listen to some of us who perhaps do not meet all your criteria in terms of what you feel is necessary in dealing with this issue, but I believe our views are just as valid.

Mr. Chairman: Mr. Patterson, do you have a question?

Mr. Patterson: Yes, Mr. Watson, you and a couple of previous presenters have mentioned, it may or may not be a reality, but you say it is at least a perception out there that potential investors outside the province seem to be scared off, is what you are saying, from investing in Manitoba by the general labour relations climate of which FOS of course has been a part the last couple of years. Do you know first-hand of any such organizations or any data available from others that could indicate that let us say in fact we did lose two or six or 20 potential investors over the last few years?

Mr. Watson: I know first-hand, Mr. Patterson, of approximately eight first-hand who have not come to this province to set up business for reasons related to labour relations, including final offer selection. I know first-hand of those that final offer selection was a significant factor in their decision, because I had advised them on The Labour Relations Act of Manitoba and what it contained and what their obligations were. I know in addition to that from business contacts, approximately one dozen further in the last two years who have declined to locate in Manitoba, again for the same reasons.

Mr. Patterson: Thank you, Mr. Watson, and thank you for your presentation.

Mr. Chairman: Are there any further questions?

Ms. Judy Wasylycia-Leis (St. Johns): I have just a couple of questions following up the line of questioning from my colleague, Mr. Ashton. I am not an expert on labour laws, and I will not profess to understand all the issues inside and out, but it seems to me that you have expressed opposition to a couple of areas or issues that are very important to equality for women. From my perspective, I have heard this many times over, that first contract legislation and final offer selection have been very critical in terms of moving us closer toward equality between women and men in our society, have been very important tools for developing the full human potential of working women in our society. I am a little

concerned in terms of your presentation. Can you comment on the impact of your remarks and your opposition to both FOS and first contract legislation in terms of I presume a goal we all share in seeking greater equality between women and men?

Mr. Watson: I could comment on it, Mr. Chairperson, but I will not. The issue of who is equal and who is not equal, whether it is a minority, whether you are Ukrainian, French, female, male or somewhere in between, in my view has nothing with respect to the issue to do with final offer selection and therefore warrants no comment.

Ms. Wasylycia-Leis: I am actually—to be that technical about it then, raising these issues from the perspective of a group that actually is a majority in our society, women certainly I do not think would want to be considered a minority group and would like to have the full benefit of progressive legislation to become equal participating members in our society.

My question on that same theme would be then, would we not want—you are the director of Human Resources Management Association, and you have talked primarily and only as far as I can tell about attracting businesses and about competition. Do we not want to be attracting businesses to Manitoba who want to also help develop the human potential in this province to its fullest?

Mr. Watson: I do not disagree with that as an admirable objective. However, I think that it must be fitted within the realities of business, not just in Manitoba, but in all other locations. The realities of business are, first of all, you must operate the business and be able to make a profit, otherwise there is no business; second of all, you must be able to operate in an environment in which the legislative sanctions, whether they are in labour relations, whether they are provision sanctions, whatever they might be in labour relations, taxation, any other area of legislation is at least neutral, at least it puts people on a fair and equal footing.

From a business point of view, FOS does not. In addition, relating to your comments, just to clarify, I accept your comments based on your analysis of the population, but I would also say quite simply that it would not matter whether it was a majority, a minority or some other group, it has nothing whatsoever to do with the FOS process.

Ms. Wasylycia-Leis: Thank you, Mr. Chairperson. From my perspective, I think women have suffered for a long time and are unequal players in our society because of a system that is not neutral. It has not been free of bias in terms of the way in which women are treated and dealt with. So it would seem to me that anything we can do to even out the equation and bring some neutrality through tools like first contract legislation and final offer selection, which actually help **women** achieve equality, is an important thing to do, and I would have thought as a director of Human Resource Management Association that would be one important part of your work. If we do not have the tools of first contract legislation and final offer selection and other

progressive labour tools and labour relations tools, how do you view the struggle for equality between women and men and how do you propose then that we begin to close the gap and deal with those inequities and make it more neutral?

* (2110)

Mr. Watson: Mr. Chairperson, I think the Honourable Member would like me to take a walk down the path of inequalities and the path of women's rights. That is a path that has nothing to do with the presentation in my opinion, with respect, and it is a path which I will not be walking down this evening, whether it is with the Honourable Member or any other Member.

Ms. Wasylycia-Leis: Well, obviously we have different views. I suggest to Mr. Watson that in fact this whole issue has everything to do with women's equality. It is a very important endeavour in terms of trying to close the gap in our society and try to ensure greater equality between women and men. I really have no further questioning except to say that I hope that, as a Human Resource Management Association, you are looking at not only attracting business to the province, but also businesses that want to develop our human resource potential to its fullest.

Mr. Watson: I can assure the Honourable Member we look at many different factors and facets. However, this evening I am here to discuss only one.

Mr. Chairman: Are there any further questions? If not, I want to thank you very much for your presentation, Mr. Watson.

Mr. Watson: Thank you.

Mr. Chairman: We will start again from the top of our list and our first presenter that we have here is No. 4, Ms. Bev Seman. Perhaps I will read out the names first though, starting from the top. Mr. David Ryzebol, Mr. Sidney Green, Mr. George Smith, Ms. Bev Seman. Do you have a written presentation, Ms. Seman? Please proceed.

Ms. Bev Seman (Private Citizen): Mr. Chairperson, committee Members, I welcome the chance to speak to you tonight on FOS. The reason I wanted to speak on final offer selection is because I feel very strongly that we need it in today's society to better be able to work with employers—

Mr. Chairman: Perhaps you could bend your mikes down so you get closer to them, so we can hear you better. Thank you.

Ms. Seman: —instead of beating our heads against brick walls and struggling due to strikes and lockouts in this province. I am only talking about Manitoba, nothing else. I also feel that, with having FOS as legislation, it makes companies and unions bargain better and in good faith rather than asking for outrageous demands and concessions on either side.

I have had personal experiences on picket lines. I know that at times it can be very frustrating and even

demoralizing to strikers on the picket lines and to workers and their families. These are the nineties, so let us not take a step backwards and have this legislation repealed, but let us strive for a better working relationship. So let us keep FOS. We only have another three years to try. That is it.

Mr. Chairman: Thank you. Are there any questions for the presenter?

Mr. Ashton: I am not going to ask you if you have \$2 million or \$3 million to invest in a global business. You make a comment on final offer selection. I want to ask you about your own personal experience. You mentioned—

Ms. Seman: Well, I have been on strike.

Mr. Ashton: Perhaps if you could just outline to the committee what your experience has been in terms of pickets and strike situations you have been through.

Ms. Seman: In '78 I was on strike with Canada Safeway. In '87 I walked the picket line with the SuperValu strikers. I believe it was '84 or '85 I walked the Burns picket line. I was on the Fisons picket line. I go where all the workers need help on picket lines.

Mr. Ashton: I want to ask you a question. I have raised this, and you have probably heard me ask this question before, based on one of the arguments that is being used on final offer settlement by both the Minister of Labour (Mrs. Hammond) and the Liberal Labour Critic (Mr. Edwards). It is on the 60-day window because we do have two options to deal with final offer selection. I think it is particularly appropriate. You have talked obviously to the workers at Fisons who tried to use that after 60 days. They ran into some legal difficulties that kept them going for 21 days after that.

I just want to ask you, based on your experience of having talked to many people who have been through a strike situation and from your own situation, do you believe it is in any way reasonable to suggest that this 60-day window has led people to go on strike for 60 days so they can sit out, collect strike pay, lose their income in the meantime, potentially lose their savings and their house, so that they can then come in after 60 days and apply for the 60-day window on final offer selection?

Ms. Seman: I do not think so, in my personal experience on a picket line I got paid \$15 a week. I do not think I want to stay out on strike for an extra 60 days.

Mr. Ashton: That was \$15 a week?

Ms. Seman: \$15 a week.

Mr. Ashton: I raise the question because one of the problems we run into a lot of times is it is very easy for someone who has never been through it to talk about it. But I just cannot imagine anyone, under any circumstances, going out on a 60-day strike—it may

not be \$15 a week; I realize that was a few years ago, but I am sure the strike pay has not increased that much during that time—and then applying for final offer selection after the 60-day window.

I just want to go a little bit further and ask you—you have been through the situation yourself, you have made it your business to talk to a lot of other people who have been through some pretty bitter strikes. I mean, you mentioned Fisons, you mentioned SuperValu, you mentioned Burns. What are the people you have talked to saying, the people who have been through those strikes, about final offer selection? We have had people come here and suggest that—and the interesting thing is, in the SuperValu case, for example, it is not just the strikers, but people who cross the picket lines, the strikebreakers who now are talking about final offer selection as being a very positive alternative to strikes. But what is your experience? What are people out there saying about final offer selection?

Ms. Seman: They want to keep it in legislation because it is an alternative to having to go out there and striking. We do not want to get rid of the collective bargaining tool, we want that as a right. But FOS should be another right, another alternative to make both sides bargain fairly and honestly with each other, instead of banging your head against a brick wall, as I mentioned before, and the employer says, well, to hell with you, go out on strike.

It also makes the unions bargain more fairly. They do not ask for ridiculous demands, they ask for more reasonable things, and just go for the absolute essentials, in my opinion.

Mr. Ashton: So you feel, you really disagree with the previous presenter, who suggested that somehow employees are using final offer selection to squeeze money out of employers that they cannot afford. You are suggesting that it leads to not just the employer but the employees being reasonable in their contract demands.

* (2120)

Ms. Seman: Very much so. As I have mentioned before, with FOS, the way I feel, it makes the employer and the employees or the union, or the bargaining unit, bargain more fairly and ask for less, and ask for more reasonable demands.

Mr. Ashton: There has been a lot of talk in this committee about balance in labour relations. You mentioned the Safeway strike that you had been through, you mentioned Burns, you mentioned Fisons, you mentioned SuperValu. What occurred in those strikes in terms of the use of strikebreakers, people crossing the picket lines to continue the operation of the plant? I am just trying to find out how many of those strikes that you have either been involved with yourself, or you have seen first-hand in terms of the picket lines, how many of them involved employers who were hiring people to cross the picket line to continue the operation of the plant while people sat out on the picket lines?

Ms. Seman: From personal experience, Safeway hired scabs or replacement workers, whichever you want to use, and SuperValu hired scabs. Fisons hired scabs. I am not positive about Burns, but I know exactly how the workers on the picket lines felt, having these people cross their lines, being bused in, protected by the company, because they felt they needed protection from people who are fighting for their livelihood, and their jobs.

Mr. Ashton: So the majority of the cases, once people had gone on strike, they had withdrawn their labour, they were in the situation that even though they were on a legal strike, the employer was able to hire—I am using perhaps the sanitized terms here; I would probably use the word scabs, quite frankly; let us call them replacement workers, let us use that term—in the majority of the cases they continued the operation of the plant.

You mentioned SuperValu. I assume in the other cases as well there was a great deal of frustration, a fairly significant number of incidents involving confrontation. I know that SuperValu—I was there myself on the picket line and supported the workers, and I remember what happened in terms of the mass picket. I just want to ask you on that point what your experience was and what the experiences of the workers were in terms of what they ran into. You mention about some of the incidents. I was wondering if you could elaborate the kind of situations they found themselves in, not just the workers I guess, anybody who came in contact with that, the customers, various other people.

Ms. Seman: As I mentioned, it is really demoralizing on a picket line, because you not only have to contend with your bosses going by and saying little insinuations to you, trying to demoralize you, trying to get you to cross the picket line and take what little self-respect you might have left, because you are not only on that picket line fighting them, but you are also fighting the public who comes by. They call you names, they may reach out and hit you. You may get threatening phone calls at home from other replacement workers, as you call it, or management. That has been my personal experience on a picket line. I know SuperValu people went through the same thing.

As well they are fighting the banks, they are fighting credit card people, because they do not have the money or the ability to pay their bills. So it is not only the public on the picket line but it is also the companies that want their money, and you just do not have it to give. I mentioned I got \$15 a week on a Safeway picket line. The SuperValu people got \$100, and they had to picket so many hours a week to get that. They could not go out and get another job because they had to be on that picket line, and your job means something to you. You are not out there because you want to be, you are out there because the company forces you out there.

Mr. Ashton: I appreciate your relaying to the committee your experiences. One of the arguments we have been using in terms of our suggestion that we maintain final offer selection is that it provides a way of avoiding the

confrontation. Quite frankly, I have difficulty sometimes—maybe people want the confrontation. Perhaps in Peru and China they have—well, I guess in China they have confrontation, but we see what they do when they have it. Perhaps I digress. What I want to ask you is: you are suggesting to this committee that final offer selection can prevent some of these strikes and yet still provide people with a fair and reasonable contract settlement.

Ms. Seman: I feel so, because as I said before, both sides are free to put any ridiculous demands on the table. We know one is going to be picked, and if we put anything too ridiculous on the table, being a union or the members, then you know that the arbitrator is going to pick the company's side. On the other hand, the company will not put anything really ridiculous because they know the union side will be picked then, so it makes you both be reasonable and fair.

Mr. Ashton: Your experiences—you mentioned this earlier—and particularly people who have been through strikes such as that is that they strongly support the maintenance of final offer selection. The reason I am asking that is because there was some concern expressed originally when it was introduced that it might somehow erode the relationship between between the leadership of the unions and the membership. We still heard this from the Liberals for example. They are suggesting that somehow perhaps if people out there are not saying, they know better, that this is not in the best interests of the working people themselves. You are saying to this committee that the people you know who have gone through those strikes are strongly in support of having FOS as an option, another alternative to the strike situation.

Ms. Seman: Yes, that is what I am saying, and I am also saying that I feel personally it has made a better working relationship with management at the work site.

Mr. Ashton: It is interesting you should mention that, because the Liberals have suggested that somehow final offer selection leads to division within the workplace—quite the opposite. So you are saying that final offer selection, if anything, contributes to an improved situation in the workplace both with the employees themselves and also with the employer.

Ms. Seman: That is the way I feel personally, and that is the way I see it at my work site personally, because they know we are being reasonable. We are not asking them for every cent they have got, and they are not asking us to take concessions all the time. Yes, FOS is a threat, just like strike is a threat, but it is only a threat for them to bargain more fairly with us, to treat us like human beings. That is all we ask.

Mr. Ashton: Of course, it is a threat that works both ways because you are in difficulty if you are not being reasonable as an employee. You are faced with the potential situation of having the employer's offer selected. So you are saying what it really does is it pushes people towards a contract rather than pulling them away from it.

Ms. Seman: Yes, that is what I am saying.

Mr. Ashton: There has been a lot of talk about the impact final offer selection has had on women. I know my colleague, our critic for the Status of Women just asked a few questions earlier. I note that the Women's Agenda, for example, which represents 35 women's organizations, two-thirds of those organizations have supported maintaining FOS. Only one of the organizations actually voted against that.

You have mentioned a number of companies; you mentioned Safeway; you mentioned SuperValu where obviously the majority of employees are women. I just want to ask you, going back to those strikes, and going back to the one you were involved in, if you could outline the kind of situation that people were faced with, particularly the women, particularly those who were supporting families. What kind of impact did the strikes that they went through have on them in terms of their financial situation, their family situation, and their personal situation?

Ms. Seman: In a lot of cases, a woman is not there as extra money any more. She is out there because she has to have a second wage coming into the house to be able to live in today's society. During the Safeway strike in '78, it was the same thing. Prices were going up, and it was starting that you could not afford to only have one salary in the home, so financially you needed a second wage.

As a women, the stress of being on a picket line, wanting to do your fair share and stand up for what you believe in and stand up for your rights, you go home and you do not always have a significant other or whatever there that understands the way you feel on a picket line, and understands—well, I am not really good with words—the crap you take on the picket line from the public, okay. You have also got small kids you go home to. You still have to do your duties as a mother that you did whether you are on a picket line or not, or you take your kids on the picket line.

In today's society, if I had had small children in '87, I certainly would not have taken them on the SuperValu picket line because of the way the public was reacting to us. It was not the picketers doing anything. It was the public doing things to the picketers. You are on a picket line fighting for your job, not being able to say anything to the public, but they can do and say whatever they darn well feel like to you because they are the public. Believe me, that is demoralizing, and you do not want children on picket lines like that.

* (2130)

Mr. Ashton: I think you have very eloquently said what it is like to go through that, and I appreciate your relaying it to us. I disagree, I think you are doing quite well in terms of the words and relaying it, and probably doing a better job than a thousand and one more sanitized academic views we get of a strike situation, because I have been through it, and quite frankly, I was single, I did not have as much at stake. I can only imagine what it was like for yourself and other people, and the people you have talked to on other picket lines.

The reason I am asking these questions is because I want Members of this committee to know paradoxically—it is funny, we had the Manitoba Chamber of Commerce ask whatever happened to the heroic strikes as if—he had this idea that working people want to go on strike, that it is something that they want to go on strike in each and every situation. It surprises him that does not happen, when most people have been coming before this committee and saying that most people go on strike as a last resort, not that they are not proud to be fighting out there for their jobs and what they believe in, but it is a last resort.

Essentially you are saying to this committee, even having been through a strike and having seen those strikes, essentially what you are saying is—not that you are in any way ashamed of taking a stand—you are saying in the 1990s there are better ways of having people treated than the kind of situations that Safeway or Fisons or SuperValu, where people went out on strike, where their jobs were taken away, where their savings suffered, or they lost their homes, all the family and personal pressures. You are saying that final offer selection is a far better way of resolving disputes.

Ms. Seman: Yes, I feel there are better ways. I feel FOS is the answer. You know what they say about a dog; you kick it and it will bite you, you pat it and it will be your best friend.

Mr. Ashton: That is an interesting way to end off. We hope there will be some old dogs, to quote one of the previous presenters, who will learn some new tricks on this one. We are hoping this committee will listen to people such as yourself, listen to your personal experiences, what you have been through, and what you are saying to this committee, which is to save FOS. Thank you.

Mr. Chairman: Are there any further questions? If not, I want to thank you very much, Ms. Seman, for your presentation.

On down the list, Ms. Buffie Burrell, Mr. Ken Crawford, Ms. Linda Fletcher, Mr. Irvine Ferris, Mr. Randy Porter, Mr. Bob Bayer, Mr. Michael Campbell-Balagas, Mr. Art Demong, Mr. Wayne Andon, Mr. Alain Trudeau, Mr. Eugene Fontaine, Mr. Grant Ogonowski, Mr. Robert Olien, Ms. Heather Orton, Mr. Art Barnson, Mrs. Jan Malanowich, Mr. Bill Comstock, Mr. Patrick Joyce, Mr. Larry Rumancik, Mr. David Hisco, Mr. Colin Lang, Mrs. Christine Woloshen, Ms. Annette Maloney, Ms. Monika Feist, Mr. Chris Monk, Ms. Joanne Maciag, Mr. Welland Ritcher, Mr. Dale Neal, Mr. Terry Turcan, Mr. Rob De Groot.

Do you have a written presentation, Mr. De Groot?

Mr. Rob De Groot (Private Citizen): No, I do not.

Mr. Chairman: Would you like to pass them to the Clerk? Oh, you do not, I am sorry. Please proceed, Mr. De Groot.

Mr. De Groot: First, I would like to start by thanking you for giving me this opportunity to speak on this

important piece of legislation. I would like to state that these opinions are opinions of my own and not necessarily those of anyone else.

I do not know if any of you have seen today's paper, but I would like to make a comment on this on the prediction that it is going to be tough wage bargaining this year, partly because of a number of things that are coming up, including GST, the FTA, a number of other things.

FOS is a piece of legislation designed to reduce and at times to eliminate the negative consequences of labour disputes to workers, businesses, and society as a whole. It is intended not to replace the collective bargaining process, but to enhance that same process by encouraging both parties to negotiate realistically. This is done by using the same incentive which the threat of a strike or a lockout uses, which is the threat of financial harm being incurred by both parties, as well as the lack of control over the final position of any outstanding issues. Nobody, neither the employees nor the employer, wants a contract imposed upon them.

Final offer selection does nothing to prevent the two parties from coming to a consensus and concluding an agreement on their own. The only way that a party could deem FOS as an impediment to the collective bargaining process is if a party wishes to engage in surface bargaining, that is, not to bargain at all, to bargain in bad faith.

Prior to the introduction of FOS, the labour relations climate of Manitoba, as has been stated, was as good as, if not superior to, the rest of the provinces. In fact, Manitoba had one of the best in North America. The introduction of FOS has not changed this.

Legislation is introduced to provide society with continuity in social conditions, employment, as well as the supply of goods and services. Less frequent and shorter strikes and lockouts are conducive to ensuring that continuity to the employees in terms of income, to society in terms of constant supply of goods and services. Laws are designed, I feel, to protect the weak segments of our society from the strong, not just one segment, but all segments. In this case, workers, I feel, represent the weak segment and the employer the strong. I say this because the employer holds the power of the workers' standard of living, and just as importantly, the working conditions.

The preamble to The Labour Relations Act, which was talked about earlier—The Labour Relations Act of Manitoba states that it is in the public interest to further harmonious relations between employers and employees by encouraging the use of the collective bargaining process. Harmonious relations, I looked this up in the dictionary. "Harmonious" is defined as manifesting agreement and concordant views, attitudes, feelings, etc., free from dissension. "Relations" is defined as the position of one person with respect to another, i.e., a ruler to a subject, or I might add an employer to an employee. "Harmonious relations" would therefore be defined as the position of one person with respect to another which shows agreement and concordant views, attitudes, feelings, etc.

Taking this into account, I feel that FOS, as well as any other legislation which promotes harmonious

relations by encouraging discussion, is what collective bargaining is all about. Discussion is a step forward. What we need is a labour relations climate based on co-operation, not confrontation, between employers and employees. I feel that FOS is a step in that direction. The mere fact that it is available puts pressure on both parties to try to reach an agreement on their own. Once the preliminary posturing, and there is always posturing when you start collective bargaining, is finished, both sides know that reasonable and realistic proposals must become evident as the process proceeds.

While I would never suggest that workers abrogate their right to strike, I do believe that there must be an alternative to that recourse. Prior to FOS, workers had no choice other than to strike against an unreasonable employer if they wished to receive a fair share of the profits created from their labour. I must stress, however, that I believe that the employer's financial situation as well as the state of the economy as a whole must be taken into account during negotiations. Unreasonable demands cannot be made if you want a successful collective bargaining process to progress.

* (2140)

While this is not done in every case, in the majority of cases, unions examine all such aspects of information which is available to them. In most cases the employer is unwilling to allow the union to examine their books, thereby reducing the union's ability to put forth a set of proposals based on knowledge of the employer's complete financial condition. You cannot put forth realistic proposals if you do not know where the other side stands. That is where the discussion comes in. You have to be able to discuss both sides. If an employer goes out of business, it is not in the employees' or the union's best interest, so this is not an objective. If an employer goes out of business, who suffers? It is the employer, yes, but it is also the employees who are then unemployed.

With FOS in place, if a strike or lockout does occur, nothing prevents the two parties from coming to an agreement on any or all issues privately and of their own accord.

However, once a strike or lockout has begun, agreement is often very difficult and prolonged strikes inflict undue hardships on the workers, their families, the public and the employer. The real value of FOS is that it provides a window through which the parties can pass to get an impasse resolved. But this window only opens for a brief period of time, between 60 and 70 days after the start of a strike or lockout. The other window is from 30 to 60 days prior to the expiration of a contract.

By the time the 60 days have passed, after the strike begins, if the two parties have not reached an agreement or are not at least getting close, the struggle tends to be one not based on compromise and agreement but rather one in which the strong party is attempting to wear down and punish the weaker party. I previously stated which party I believe is the strong and which is the weak.

It has been my observation that when a strike takes place, it is the last resort for the workers, because they

have the most to lose. During a strike an employer's overhead is reduced—ie. wages, benefits—while the expenses incurred by the worker continue uninterrupted. If the employer chooses to hire replacement workers, as happens in the service industry often, then the employer does not even lose his/her income, or at least not all of it, while the employee is losing his/her income. This clearly puts the worker in the weaker and more vulnerable position. This is especially so when the employer is a large corporation or conglomerate with extensive resources which enable it to starve the workers into accepting concessions.

It sometimes is the objective of the employer in prolonging a strike, and thus breaks the union. The employee may lose his/her home, et cetera, while the employer stands to lose his/her profits. As was stated by another speaker, as well, the employer may go out of business. I ask the Members of this committee to consider how they would be affected by the loss of pay for one week, a month or even two months, which is the 60-day clause.

Would it affect your security, the security of your families? Also consider how you would be affected by a loss of pay in excess of 60 days, as may be the case if FOS is repealed. How would it affect your constituents? The average working person, in fact anyone I know would be devastated by a loss of pay for any length of time. Myself, I would notice a loss of one week's pay, never mind 60 days. I walked on a few picket line, not many but a few. One thing I have noticed is that workers want to return to work. They do not want to stand out there.

Given a chance at a fair and reasonable collective bargaining agreement, they would almost definitely vote for FOS, regardless of whether the application was made by the union or the employer. But most importantly, it is the workers who decide to use FOS, not the union officials nor the employer. By voting in favour of using FOS, the workers are in effect ratifying the use of the process. I mention this because it was previously mentioned that it was taking the control away from the workers, as the collective bargaining gives them some control over the process.

Another way of working that problem out would be that nothing prevents the workers from ratifying the actual final proposal package from the union, although this could be a problem to some extent if the company sees it ahead of time and are prepared.

Recently I have heard business leaders as well as some politicians protest that FOS interferes with the collective bargaining process and on this basis alone must be repealed. As I have stated, FOS does not detract from free collective bargaining, which we all seem to want maintained. Even the Chamber of Commerce and Mr. Newman seem to agree to this: we want collective bargaining maintained. FOS enhances the process by providing yet another avenue toward concluding an agreement.

It must be remembered that it was the business leaders pre-collective bargaining era in the '30s and '40s who opposed the collective bargaining process, claiming it would never work and businesses would fail

across the land. Today, as we have seen, it is proclaimed as a success. To change is not to fail; to change is to evolve. Anything that refuses to evolve, dies off. By this I refer to our society and economy. If we refuse to change to a system of co-operation from our present confrontational system, we are destined to fail as a society and an economy.

I have been here for the last few days, actually. I missed yesterday morning; I had to work. I have listened to a number of speakers, both from the committee as well as some people up here. I have come up with some positions on statements that were made. Mr. Grant Mitchell was a very interesting person, seemed quite knowledgeable. He seemed to feel that the FOS gave the employer access to the employees, as I have previously stated. He felt as well that FOS encouraged the parties to fail to disclose their true positions, encouraging strikes because of the escape window, as he called it, which can be used if a strike is not going well. These are his words, the way he described what happens.

He also felt the employees do not have a chance to ratify the collective bargaining agreement when FOS is used. But, as I stated previously, employees ratify the process. I must stress that FOS only deals with outstanding issues. That means that if the two parties have agreed to 99 percent, and there is only one outstanding issue, then it only deals with that one outstanding issue. It is not the whole contract; it is whatever is outstanding, whatever the two parties cannot agree upon.

I think that is crucially important. It is not everything; it is not the whole ball of wax. It is just whatever they cannot agree upon. If they can agree upon it, fine; you have got a contract. Obviously, there is no impasse if they have agreed to everything.

Mr. Ross Martin seemed to think that we should repeal this now, because he feels it is not working. I must emphasize that there is a sunset clause on this legislation. It is only two years into its existence, and it has only three to go. We do not really have a clear picture of how well it will work, and I feel that it should be left to expire to the end of the sunset clause so it can be assessed. Two years is not a long enough period to properly assess the function of it.

There was a lot of talk about lack of unity by the labour movement in favour of FOS, but as was stated, and I know I have talked to a number of people, because, as I said, I have walked on a few picket lines—not many, but a few—and so you get to know a few people from this union or that union—I mean you would get to know that as well just from knowing people—but even the people who were against FOS at the 1985 NFL convention, they have come onside and either supporting it or at least speaking against the repeal.

* (2150)

As I said, Mr. Newman is an interesting fellow. He has represented the Chamber of Commerce. He stated before this committee that the forced relationship of FOS, or, that is, forced by FOS on the employer and on the employee, is reminiscent of slavery. This brings

to mind the master-servant relationship, as it is called in law, which covers everybody else that is not covered by a union contract.

He also stated that FOS has a potential for forcing employers to accept provisions in a collective bargaining agreement which they do not agree to. If that means that employers must try to negotiate fairly and on a jointly agreed upon collective bargaining agreement, then so be it. I know employees have always had to settle on things they did not agree with.

He also made some obscure comment to the effect that FOS promotes unions to maintain the status quo. Then he went on to say, and make gains for their members. Now, I do not know, maybe I am not smart, but if he is maintaining status quo, how are you making gains?

Mr. Newman's response to Mr. Ashton (Thompson) on a question, and I have to apologize because I did not get the question down when I was writing these notes, implied that the Legislature should not put in place laws which are an impediment to business, that both parties would be better off if these laws did not exist. I would suggest Mr. Newman will only be happy if we return to the pre-union recognition period of the 19th Century. Business could operate with regard to profits only and with no regard to the health and welfare and living conditions of workers.

The issue of replacement scab workers during strikes was brought up by Mr. Patterson. Mr. Newman's response that Manitoba's business make-up is of small businesses, 50 employees or less, for the majority, with few large businesses with many employees, suggests that if only 50 employees suffer at a time, it is okay, that it does not really matter. I would suggest that within Manitoba there are large businesses which use scabs to replace hundreds of employees, which we have heard with the SuperValu strike. I would also state that even if only 50 employees suffer in this province at a time, it is too many. It is not right.

After listening to Mr. Gardner, the same advantage that he fears FOS gives to unions, that is the ability to reduce the risks of a strike by allowing it to bail out if the strike is going badly, seems to be already given to the employers by the ability to hire scabs or replacement workers and thus reduce their loss during a strike or lockout. Lockout would not be included in there, I guess. It would just be during strikes.

Mr. Edwards (St. James)—and actually I am sorry he is not here. I was looking forward to him questioning me on some of his questions. In response to Mr. Edwards' question as to whether FOS does not make the decision to go out on strike somewhat easier, and he seemed to be quite adamant on this. He asked of, I am sure, the one about three or four times, because he did not get the answer he wanted and he asked a number of them.

The availability of FOS does not make the decision to go on strike any easier, any easier than the section in The Labour Relations Act which mandates that a strike—it does not make it any easier for the employees to go on strike than the section in The Labour Relations

Act which mandates that after a strike, employees must be reinstated to the employer.

Mr. Patterson pointed out that arbitration is already available to the parties prior to FOS and I agree it is available, but it must be agreed to by both sides; otherwise there is not the availability and, if one side decides to bargain in bad faith, they are not surely going to agree to arbitration.

(Mr. Helmut Pankratz, Acting Chairman, in the Chair)

Another comment made by Mr. Edwards (St. James) related the ability of the members of a union to enact FOS to handing the unions a gun. Again I would like to make a comparison, that being between the ability of FOS and the ability of the employer to hire replacement workers. The employer implements the hiring of replacement workers at the beginning of a strike, thus maintaining their income and/or profits while the employee loses income from the onset. I would suggest that if anyone has a gun it is the employer.

Then we come back to Mr. Newman. He suggested that the supporters of FOS get emotional about issues such as FOS. He seemed to feel that all emotion must be removed from all issues and impure economic theory which calls for the maximizing of profits without regard for all else. I would suggest that protecting one's standard of living and one's family is an emotional issue. Mr. Newman's adamant position against FOS and similar legislation, to use his words, since 1972 seems to show emotion on his part as well.

There was another reference to FOS not being needed due to the availability of arbitration but, as I have stated, if one party decides not to agree to it it is not available, and this I feel would have been the case in the Westfair strike and it would not have made any difference; in fact it did not.

To conclude, I feel that FOS is a law geared to people to improve and protect the lot in life of people by increasing stability and continuity in employment for the employees of a business, the consumers who deal with that business, any others who would be negatively affected by a labour dispute, as well as the business itself. Since the record of FOS, although not conclusive at this point, indicates that FOS is working, or at least not doing any harm, the only conclusion I can draw as to the reason for the position of the Progressive Conservatives and the Liberal Members is that the repeal of FOS is an election promise from 1988. I cannot see any reason for repealing it. There is a sunset clause on it; it is going to be re-evaluated. There is no reason to repeal it at this point. If it is not working in '93—which is I do believe the time it comes up—either change it, make amendments, or throw it out at that point in time. To throw it out now is premature; it is not responsible.

Now to end, I urge that you all reconsider your positions on this matter. I feel to vote the repeal of FOS is to vote against the best interests of your constituents. Thank you very much.

The Acting Chairman (Mr. Pankratz): Thank you, Mr. De Groot. Any questions? Mr. Ashton.

Mr. Ashton: First of all, I would like to commend you for your presentation. I should perhaps mention to the committee that we ran into each other in the hall yesterday and I know you were here prepared to make a presentation yesterday and, of course, we did not sit so I think that shows how important you feel this issue is, the fact that you have been here, as you said, virtually every committee hearing. You have had to miss a couple, obviously because of work reasons, but I certainly commend you for following the discussions and I am hoping that Members of the Legislature will pay as much attention, to what has been said as you have.

What I want to deal with is some of the points that you raised. You mentioned at the beginning the article in today's paper, and I read the same article that you did and interestingly enough the same connection came to mind. We are in a difficult bargaining year, there are a lot of contracts up. I take by the fact that you referenced that before you began your remarks, you are essentially of the opinion that final offer selection can help in a number of those cases, achieve fair settlements and also potentially avoid strikes. I would like to ask you to perhaps elaborate on that, because I know you had mentioned it just briefly at the beginning of your comments as to how you think final offer selection comes into play in a year such as 1990 when you have many contracts coming up.

* (2200)

Mr. De Groot: The reason I brought that up was tonight I actually took my two sons to hockey, and I had the paper with me so I was reading it. I happened to be talking to one of the moms who happens to be a nurse, and their contract comes up this year. Without even saying anything about what the paper was about or anything about me coming down here, she made the comment that there would be a nurses' strike this year.

It really threw me off because I do not know if she knew I was coming down here. Perhaps I had made a comment at a previous game. I do not think so. It just threw me off that she would make a comment like that, and they really have not gotten into anything, but she feels that because of the budget cuts from the federal budget that there will be a nurses' strike. I expressed to her that if FOS is still on the books that perhaps it would be of some use to resolve an impasse, get a contract, maintain our health system, the stability of it and the availability of it to all of us.

Mr. Ashton: It is interesting you mention that because we have many presenters. I know you have heard many of them talk about past strike situations and what happened to people, the individuals, the kind of sacrifices that people made, the kind of confrontation that took place.

You are essentially saying to this committee that in 1990, of all years, when we have a large number of contracts up, a large number of potential situations that could lead not just to a strike, I suppose, but to a lockout because many employers have used the lockout provisions. You are saying that 1990, of all years,

this should be the year that final offer selection should not only not be repealed but should be in place so that it can be used if necessary.

Mr. De Groot: Yes, that is what I am saying. I feel that this year is vitally important because of the large number of contracts coming up, because of the budget cuts that we are receiving, because of a number of factors which I stated before, the GST implementation which seems to be definite, even though it has not been passed through the Legislature completely, the FTA, the Free Trade Agreement. Even the report by Winnipeg Concept 2000, I do believe it was, states that the FTA is going to hurt us a lot, mainly in the manufacturing which is my understanding from reading the paper. The report on it was that a large percentage of our employees are employed in the manufacturing sector. They stated that was going to be particularly hard hit.

I do not feel that it should be repealed. If it is going to be repealed this year, I think it will just as bad next year. As I said, it has a sunset clause. There is no reason to repeal, it is working. The least you can say is it is not doing any harm. To use an old adage, if it ain't broke, don't fix it; if it is broke, well, then fix it.

Mr. Ashton: It is an interesting analogy. Essentially that is what those of us who are arguing for its retention are saying. That, if anything, it has been shown to be working the first two years, so it should be given the chance.

I want to deal with another of the points you made though. You referenced, for example, tonight you were talking to somebody while you were taking your sons down to play hockey. I take my son down every Saturday, and I know when you are sitting there for an hour and a half in a cold arena, it is interesting the topics that do come up.

I want to just go a little bit further in terms of your discussions with people. You said tonight you were speaking on your own behalf, but you obviously talked to some people about final offer selection in general and what is happening this year. What I am trying to get some idea of is what people are saying out there. I am trying to figure out why the Liberal and Conservative Parties are so adamant on killing this Bill.

I will ask you directly, the people you have talked to, do you sense there are a lot of people out there that want to get rid of final offer selection? Are you running into a lot of people that are saying that this is a terrible thing, that we should get rid of it now before the five years are up? What are people saying, the people that you are talking to, about final offer selection?

Mr. De Groot: Well, anyone I have talked to has stated that it should be there. I have talked to a few people at work and a few friends saying that I was planning on coming here, and some of them really did not know what it was about. I explained to them about the process, the windows, the application, the fact that the employees must ratify the use of it. I also related to them the issue of replacement workers and how I felt, that, if anything, it is equalizing the situation a little bit. It is not loading one side. Nobody that I have talked

to, and that includes a few management people, has stated that they feel it should be repealed. Nobody.

Mr. Ashton: Has anybody asked you for your opinion, or the people that you have talked to? Has the Minister of Labour (Mrs. Hammond), has the Liberal Labour Critic asked you and the people that you have talked to, for your opinions on final offer selection?

Mr. De Groot: Myself, personally? No, no one has asked me.

Mr. Ashton: I raise that because there is a consistent pattern we are getting in the presentations. By the way, I am glad that the Minister of Industry, Trade and Technology (Mr. Ernst) is at the back of the room. He missed earlier when I agreed with his comments, one of the few times I have agreed with Conservative Ministers on anything, and I thank him for his contribution in the debate on final offer selection. He may not have realized it, but I think he has given those of us who want to save final offer selection a major debating point and a major point we are going to take to the people of Manitoba. I thank him for that. I see he is at the back of the room.

The reason I am asking you, Mr. De Groot, is here we are in a scenario where two Parties out of three in this Legislature are bound and determined to get rid of final offer selection. You are saying that the people you have talked to support it—keeping final offer selection—that when it is explained to them and they in particular support it, you are saying that you and the people you have not talked to have not been discussed. Do you feel that is the way we should be making legislation in Manitoba? Do you think that is fair that, on something such as this, the Conservatives and the Liberals as well should be moving ahead without finding out what is actually happening out there and what people such as yourself are saying?

Mr. De Groot: No, I do not. I think there should be a policy of consultation. I will say that I think that it is typical, considering what the federal Government is doing with the GST. In my opinion the FTA was very similar. Mind you, they did get a majority of seats, but they did not have the majority of the popular vote. If they were going to implement something like this, that is going to be so far reaching in our society, our country, I feel they should have had popular vote to support it, not just majority of seats.

Mr. Ashton: I find it also interesting, you talked about election promises because we pointed to many election promises the Government has not kept and we have suggested—

An Honourable Member: Which?

Mr. Ashton: Well, the Minister of Industry, Trade and Technology (Mr. Ernst) after those fine words I just said about his comments is now saying which ones. The health care field, they have kept one out of eight promises.

The Acting Chairman (Mr. Pankratz): Would you keep the questions to the presenter, please?

Mr. Ashton: Perhaps, Mr. Acting Chairman, if you can ask the Minister of Industry, Trade and Tourism (Mr. Ernst) not to divert. I was just talking about how many election promises the Conservatives have not kept.

What I was saying, I think you are probably right, this is sort of a commitment that was made and in this case I still do not see a ground swell of support for it. I see very few people that have come forward even to this committee, and very few people out there on the street that are talking about getting rid of final offer selection. I just want to ask you once again from your perspective. You are saying, keep it for the five-year sunset period. You are saying, keep it for another three years and then look at it. You are suggesting that it needs a chance. It deserves those extra few years to see if it is working.

Mr. De Groot: Yes, that is what I am saying. As in any piece of legislation, new law, that is newly introduced, I feel it needs a chance to show that it is going to work. I mean even the FTA, we are not going to know what the full effect of it is for a number of years. I am personally opposed to it, but who knows, maybe it will be the best thing since sliced bread, to quote another speaker here.

Mr. Parker Burrell (Swan River): I object to you, Mr. Acting Chairman, badgering Mr. Ashton. He has not been anywhere near the point all night. I feel that it is unfair of you to keep trying to keep him on the agenda.

Mr. Ashton: I apologize. Ever since I talked about Conservative election promises this committee has managed to fall apart so I apologize sincerely and I will not mention that the Conservatives do not always keep their election promises, Mr. Acting Chairperson. I will continue my questioning and it is relevant. I have asked a very direct question about the five-year period.

Quite frankly, to the presenter, I wish the Free Trade Agreement was on a five-year sunset, because I think we would all be a lot better off. I do not believe it is going to work.

In terms of final offer selection, in terms of where we head in the 1990s and particularly in a very difficult year, I just want to thank you for your comments because you have been talking on very relevant points, Mr. Acting Chairperson, tonight about your own personal experience. That is what this committee is about. I commend you. I mentioned before that you have been here, and I have seen you. I ran into you in the hallway yesterday when we were not even sitting so if that is not dedication I do not know what is. Thank you very much.

* (2210)

The Acting Chairman (Mr. Pankratz): Thank you, Mr. De Groot. No more questions? Thank you for your presentation. The next person on the list, Ms. Beatrice Bruske. Next one Mr. Dan Goodman, Ms. Kathy Kraychuk, Ms. Nell Clarke, Mr. Jerry Kies, Ms. Toffler, Ms. Susan Koo, Mr. Erskine Lord, Mr. Luc Jegues, Mr. Gilbert Lorteau, Mr. Bernard LeBlanc, Ms. Jacqueline

Smith. Ms. Jacqueline Smith please. Do you have copies of your presentation.

Ms. Jacqueline Smith (Private Citizen): Yes. No copies, no, no.

The Acting Chairman (Mr. Pankratz): Okay. Thank you. Go ahead Ms. Jacqueline Smith.

(Mr. Chairman in the Chair)

Ms. Smith: Mr. Chairman and members of the committee, I will be very brief. I have come to state my opinion on the removal of FOS. I am strongly committed to the principle that any disagreement, that is any disagreement, can be settled fairly and amicably by the people who will act in good faith. I feel that most people have reached a degree of sophistication in their growth and experience that precludes the necessity of strikes.

There were times in the past when the strike was the only effective weapon a worker had, but times and people have changed and we have come to see that there is a more civilized way to deal with disagreements. Strikes today can increase rancorous feelings between worker and management. They can cause wounds that never heal, and they can even divide families. This is not constructive. Certainly we all must realize that arbitration by honourable and objective parties must and can be more satisfactory than arousing the latent and disruptive passions in all that are affected by a strike.

I am in favour of any legislation that would encourage both parties to stay at the negotiating table and reasonably and dispassionately solve their differences. This legislation as far as I have observed, has produced labour peace. This itself has to be a good thing. Strikes affect not only the protagonists, but the general public who in many cases have no real knowledge of the issues at stake, but feel compelled to take sides. Both parties can be winners if they bargain in good faith.

As a working person, I have discussed my beliefs with my co-workers who have an equal distaste for strikes. We are not greedy. We only wish a fair distribution that will enable us to keep up with the ever rising costs of living. We do not wish or seek to get into a confrontation with our employers whereby we would have to resort to a strike to maintain our advantage.

I urge you the committee to maintain the very civilizing effect of final offer selection, and I thank you for your generous attention.

Mr. Chairman: Thank you, Ms. Smith. Before you leave, there could be some questions, just a minute. Are there any questions for Ms. Smith?

Mr. Ashton: I just wanted to ask one basic question and I appreciate your coming forward. I know for a lot of people it is a rather intimidating experience in terms of coming before this. I really commend you for being here.

You mention in terms of the people you have talked to, what their view is. I am just wondering if you could

elaborate a bit more for the committee—the people you are talking to in your workplace, your friends, your neighbours, what is their view of final offer selection? Do they think it should be voted out, which is what this Bill will do, or do they want to see it kept in place?

Ms. Smith: I can only speak for myself and for my opinion of what they have said to me, but most people in my milieu prefer not to have strikes, but to sit down and to discuss differences. They would go to almost any lengths not to have strikes. Therefore, to answer your question, most of the people I speak with where I work are in favour of final offer selection.

Mr. Ashton: Just one further question because I have asked this of other presenters. The question basically is, whether you or other people in your workplace in any way, shape or form—

Mr. Chairman: Mr. Ashton, I wonder if you could speak into your mike so we could—

Mr. Ashton: Sorry, Mr. Chairperson. —in any way, shape or form, have been asked for your opinion by the Minister of Labour (Mrs. Hammond), by the Liberal Labour Critic, by the people who are trying to push it?

Ms. Smith: Not to the best of my knowledge.

Mr. Ashton: In other words, even though people in your workplace are clearly saying, keep final offer selection, no one seems to be interested in finding out. This really, I guess, is one of the good things about this committee; your voice is finally being heard. I just hope people are listening. Thank you.

Ms. Smith: Okay, thank you.

Mr. Chairman: Thank you. Are there any further questions then? No further questions. Thank you, Ms. Smith.

Our next presenter—Ms. Debbie Oram, Mr. Cliff Beaulieu, Ms. Anne Goodman, Ms. Joyce Hill, Mr. Robert Schick, Ms. Teresa Biubeau, Ms. Gail Sourisseau, Ms. Kathy Coulombe, Ms. Sharon Christensen, is she here? Okay.

Ms. Sharon Christensen (Private Citizen): Good evening, Mr. Chairperson, Members of the committee.

Mr. Chairman: Have you a written brief?

Ms. Christensen: No, I do not, Sir.

Mr. Chairman: Okay, please proceed then.

Ms. Christensen: I would like to talk to you tonight because I am against Bill 31.

I have had personal experience in walking a picket line. The strike that I was involved in lasted 125 days. The impact of a strike of this kind stays with you for the rest of your life. The financial, mental and emotional hardship for all who are involved, whether company or labour, is very hard to describe.

I have seen co-worker turn against co-worker, friend against friend, and in some instances family members against each other. The effect of a strike can cause as much hardship on immediate family and friends as they are caught in the middle and must learn how to cope with all that is happening around them.

It has been almost two-and-a-half years since our strike ended. For some of us the strike is over. Others, I know, are still trying to come to terms with what happened to them in the months of June to October, 1987. Unfortunately, there are some for whom the strike will never end. Most of the people involved have come to the conclusion that they never want to be faced with this type of situation again. This includes strikers, strike breakers and various levels of management, and all agree that companies and labour must find a better answer than a strike.

I strongly believe that FOS is that answer. It is an option that companies and labour should have, if needed. FOS forces both parties to make reasonable proposals that can be acceptable to all concerned. FOS can aid in the reduction of strikes, while most importantly, it can considerably reduce the hardships that all must go through whether they walk a picket line or whether they cross a picket line.

Since FOS became effective on January 1, 1988, it has been used by companies and labourers in many negotiations. FOS has proven to be a fair law and a successful option when implemented. At this time I would like to ask our Conservative Government to withdraw Bill 31. If this does not occur I would strongly urge all Liberals to vote no to Bill 31. I would like to thank all our NDP Members in the Government today who support us in FOS. Thank you very much.

Mr. Chairman: Are there any questions for Ms. Christensen? Mr. Ashton.

* (2220)

Mr. Ashton: Yes, you made an interesting comment. It is a comment that was made before, I know by Karen Bell, another presenter, who went through the same strike situation; that the people you are talking to who are on various different sides of the strike, whether they be management or people who walk the picket line and even the people that cross the picket lines to go to work, the strike breakers, are saying many of them that they would like to see final offer selection preserved. They do not want to see Bill 31 pass.

Ms. Christensen: That is correct. A lot of people I work with, and I am involved in union activities, and the ones I have spoken to, even at levels of management and strike breakers, do not want to go through this again. It is just as hard for a strike breaker to go across a picket line as it is for a striker to walk a picket line. Financially, it is not as tough for them because they are still making their wages, but they still have to deal with the fact that they are going across a picket line against a friend or a co-worker that they have gotten along with and respected for many years. We have all made our decision and the longer that strike goes on,

for some reason, I guess because it is such an emotional issue, the respect seems to decrease between strikers and strike breakers; everything starts to get just frustration and everything starts to get out of hand.

It is a very sad situation to be in because you have to go back to work, you do go back to work eventually. You have to start working with these people all over again and somehow you have to heal those wounds and like I say it has been two and a half years for me. I walked the picket line and I still see people in those stores, in my store too, who just simply cannot seem to bridge the gap that the strike caused between them. Like I say, it is a very sad situation to be in. You do not want to see it happen again.

Mr. Ashton: It was mentioned before that ironically final offer selection discussion is one of the issues that has brought some people who have not spoken to each other since that strike to actually start talking. It is an irony of what has happened. You are saying very clearly that the people no matter what their experiences were are looking for alternatives. They are looking for the type of alternative final offer selection provides.

Ms. Christensen: Oh, definitely, they want alternatives, they want all the options they can get. Like I say, we have talked to various levels of management. My store manager never wants to be in that position again, never. I have a supervisor who does not want to be in that position again ever. You try to keep a strike, you go out, you want to keep it as amicable as you can. But as the strike progresses and lengthens it is almost impossible to keep it amicable. That is when you start getting your confrontations on the picket line and that is when things just start to hit the fan. It is very hard to control.

Mr. Ashton: When is the current contract up? When is the time the current contract expires?

Ms. Christensen: For Westfair? May 5, 1990, I believe it is.

Mr. Ashton: So in other words, if this committee does not listen to people such as yourself, or at least some members of this committee, if Bill 31 goes through, if Bill 31 is proclaimed prior to the next contract expiring, FOS will have been terminated, you will not have that alternative. You could end up very well, very easily back in the same situation that you did two and a half years ago, back on a picket line, people crossing the picket lines. The tension between the workers, between the people crossing the picket lines, we could go through all that again if final offer selection is repealed.

Ms. Christensen: Yes, with the company that I am employed by, it is very possible. I would not be surprised. If I stay in the employ of the company that I am with right now, I would not be surprised if we ended up walking a picket line again at some time in the future. I am not saying 1990, but it could be after the next contract or the one after that. It is very possible. Unless the company changes attitudes towards its employees, this confrontation is going to happen again. It is as simple as that.

Mr. Ashton: I just want to ask you to relay to the committee a bit more about the experience that you went through. I have raised this with other people, the fact that sometimes the questions that we have seen the people who want to see final offer selection taken away, sometimes have a very sanitized view of what a strike is, what people go through when they are on strike. I have asked people about what they feel of the suggestion that they would go out for 60 days on strike so they could access final offer selection. I want to ask you that as well, but I want you to talk to us. Tell the Members of this committee what it was like for those 125 days in a personal sense, a financial sense, a family sense, just to give us some idea so that we can get a better idea of what the people such as yourself went through.

Ms. Christensen: Well, when I was on strike, it was during the summertime and it was great weather. I remember my mother saying to me, you look great, you feel great, but you are broke. If you are at work, you look tired, you do not look great, but you have money in your pocket. It never seems to work out for all three at the same time, but I found financially it was very, very difficult. My husband and I discussed it. I was very lucky, because my husband supported me all the way on the issues that I felt that I was walking for, so that was no problem for me. For other people, they did have a problem with their mates.

My kids, I have teenagers. If you have any idea what it costs to raise teenagers today, I mean, you are looking at quite a bit of money. I just had to turn around and tell them, sit down, and say, look, it is not there any more, the money for you. You are on your own and that is all there is to it. If you can pick up odd jobs somewhere and get paid for it in the neighbourhood, that is what you are going to have to do. No requests, because there is not going to be an extra dime at all, for anybody all the way around.

Friends, they would come up to me and say, I cannot afford to shop anywhere, but I do not want to cross your picket line, so I will go to a Superstore—I work at an Econo-Mart, by the way, for Westfair—and I said, you cross the Superstore picket line, you are crossing my picket line. They are walking for the same thing that I am walking for. It puts a lot of stress on friendship, because there are people who are on limited incomes or fixed incomes, and they really could not afford to shop at Safeway. They had to go to an Econo-Mart, to a cheaper place, to buy their groceries. Those people, you shrug, you let them through. What are you going to do? You cannot say to those people, well, I am not going to talk to you for the rest of my life. You cannot take that kind of view, but it still hurts to watch somebody you know and who knows you and you are friends with to go across the picket line, even if you understand why they are doing it.

Daily confrontations all the time with the public. When I went out on strike, I thought the argument was between me and my employer. I did not realize that the public was going to get so involved. Maybe that was very naive of me; it was the first strike I have ever been involved in, but I really did not think the public was going to get that involved. I have got called every name

in the book. Like in the Econo-Marts, there was only four people picketing at a time, because we simply do not have large staff in those stores. We would approach them and say, please do not cross our picket line, and I got called every name in the book.

Like I say, I could not believe that the public got that involved. If you are going to cross, and if I approach you and ask you nicely not to do it, go in. A lot of people know sign language out there. I was very surprised about that, but some people would threaten to do physical harm to you, just if you spoke to them. Do not talk to me, they would say. Do not come near me; I do not want to hear what you have to say. You come near me, I will belt you. That is the sort of thing you get, and when you start getting the public that involved, it is very, very hard to control.

I still say that we had people who would come out that tried to bait us. They would stand in the parking lot. As we were talking to other people who were going across the line, they would stand there and call names. They would catcall. They would use obscene language on us. Then finally the security would come along and say they are going to call the police. They would finally be forced to leave the parking lot, but these are the sort of things you go through. Of course, as the strike progressed, the worse the confrontations got between the public and the strikers.

Mr. Ashton: We have heard other people come forward and say very much the same sort of thing, that their personal experience was much the same. This is why I get so frustrated sometimes when I hear these questions that are based on such a sanitized view of a strike. This idea that you are going to sit out for 60 days on strike pay, and we have heard even the best of strike pay is not anywhere near enough to maintain any level of income. Somehow, we heard reference earlier, people squeezing money out of their employers, a very sanitized view of what is actually happening out there. I just want to ask you why you were there, what you thought you were fighting for at the time, what the issues were, so we can get some idea once again as to what happened in this case and what led to a strike, and what potentially, if final offer selection was available, could have been settled in a very different manner. What were the issues back in 1987?

* (2230)

Ms. Christensen: Well, the basic issue was ours. Superstore has different guarantee hours than Econo-Marts. Econo-Mart only has a 12-hour. It is a clause in the contract that has been there for quite a while. It is a 12-hour guarantee, but most people in Econo-Marts are very senior staff and they used to get on an average of 28 hours to 32 hours a week. That was before the strike. Superstores had their guarantee of the 24, the 21, 18 and 12. They were trying to take it away. We knew that, because I used to be full-time at one time.

I have been put down to part-time. I have watched my hours go from 38 hours a week, now I am down to 20. Before the strike I went from 38 say down to

about 28. I kept losing hours year after year after year. I kept getting, how would I say this? I have worked for the company longer, but my wages were really becoming less because my hours were becoming less. We felt when the people in Econo-Mart, when they went—they were trying to take the basic guarantees away from everybody, and we knew that sooner or later they were going to come to the Econo-Marts and start imposing the 24, the 21, the 18 and so forth or start imposing the 12-hour, which is our maximum guarantee, 12-hour maximum guarantee.

We felt that since they had already started reducing hours that we had to go out and fight for them because it was the only way it could be done. There was just no settling on the issue apparently. If we had had FOS at that point in time, because I really think that was our major issue was the hours, if it had been presented to FOS it would have made the company be reasonable about the guarantee. They already had it in the contract and it was acceptable for many years. There was no reason to try and change it. They would have had to make a decent proposal on the guarantees. Our union would have had to make a decent proposal on the guarantees for something that had already been in our contract. We would not have had to go out and strike for it.

Mr. Ashton: I am just wondering, how long have you been with Econo-Mart?

Ms. Christensen: I started off at Loblaws, which is Westfair, at that time in Polo Park, 1976.

Mr. Ashton: So in the 14-year period you have seen a pretty significant erosion of the number of hours that you receive. Is that a common experience with other workers?

Ms. Christensen: Oh, yes, since they opened up the Superstores. Well, there was one instance when they opened up I believe it was the St. Anne's Superstore, there was a Loblaws on Henderson Highway, full-time people got transferred into the St. Anne's store when it was being opened. All the part-time people in that store got laid off, every single one of them. There were 15 to 18 of them. They hired 200 to 250 employees to staff that St. Anne's store. They told the part-time, there is no more room for you, even though they were expanding. They told these people they had no more room simply because of the fact they were senior staff, they were getting good hours and they qualified for benefits. That is the way the company deals with senior staff.

Mr. Ashton: The reason I have been asking these questions is just to give people what was going through your mind in 1987 when you had the strike vote, the kind of issues you were faced with. What I look at is essentially you were faced with the question of what kind of job you would have, or if you would have any kind of job in terms of any real number of hours. In essence, you were out there not to squeeze money out of the employer—and I use that term because it was mentioned earlier tonight by someone who came here from the management side and suggested that was

what final offer selection would be all about, squeezing money out of employers—you were fighting to preserve your jobs.

Now you are suggesting that from your experience in 1987 all you are really asking for is another alternative, some other way. Final offer selection means you do not have to go through 125 days, go through all the hardships that you and the other people went through. I think you mentioned that there were a lot of other people on all sides of the issue who were affected. You were saying that there is a better way of resolving disputes than what you went through, the 125-day strike in 1987.

Ms. Christensen: Yes, I really feel that FOS is an option that people like us need in this province. I am sure my employer is not the only hard-line employer in town who does not want to share what profits he does have amongst his employees. We are not asking for a big share of the profit.

We are asking for enough hours because we do make a good wage. Anyone of us is willing to admit that, but we are asking for enough hours to live off of. You can make \$14 an hour, people, but you cannot live off it if you are only working 12 to 16 hours a week. That is the way they do it. It does not matter if you have been with the company for 15, 20 years or two months, and the more they erode our guarantee of our hours, things like this, the worse it becomes for us. We just continually keep losing our standard of living because our hours go down and our pay cheques go down.

FOS, I think, is an option. It will make my employer make an effort to give us a decent amount of hours so at least we can keep our standard of living up.

Mr. Ashton: Once again, I would really like to thank you for giving us some idea because I really believe that is what this committee is here for. I am just hoping that people will keep an open mind and listen to people such as yourself and give final offer selection a chance, so that perhaps you do not have to go through that again. Thank you very much.

Ms. Christensen: Thank you.

Mr. Chairman: Are there any further questions? Thank you, Ms. Christensen.

We will carry on the list. Ms. Diana Leclair, Ms. Melany Jackson, Ms. Shirley Hamilton, Ms. Melody Cushnie, Ms. Colleen Pearce, Ms. Sandra Cwik, Mr. Ralph Conia, Ms. Rita Mogg, Mr. Eric Jalpersaud, Mr. Remi Serraton, Ms. Juliette MacDougall, Ms. Anita Trudeau, Mr. Norman Dube, Mr. Mersla Chorney, Mr. Les Lutz, Mr. Allan Webber, Ms. Shelley Spak, Judy Wickens, Mr. Ed Ste Marie, Mr. Pat McDonnell. Do you have a written presentation, Mr. McDonnell?

Mr. Pat McDonnell (Private Citizen): It is a matter of regret to me, Mr. Chairman, that I do not, but I dropped in tonight to see how the procedures were going. I was, the last time I checked, No. 111 on the list and not expecting to see you before Thursday or Friday. I would bring some points to your attention that I think are important, if I may.

Mr. Chairman: Please proceed then.

Mr. McDonnell: My name is Pat McDonnell. I appear before you as a private citizen. I am an immigrant to this country. I came at the age of 12 with my parents and I went to work at the age of 14. We were a family of six children; the two oldest had to go to work to help support the family. There were not the social nets in those days. There was not really unemployment insurance, for example, to speak of.

My first job at the age of 14 was working in a warehouse for a major department store, international in nature. A forklift ran over my foot one day because they saved money repairing it and we had to push it to start it. It crushed the major toe of my right foot. I was given a Band-Aid and told to go back to work if I wanted to continue working. Those sorts of conditions prevailed then. They have changed since, I think for the better. I think in this country we should not have to tolerate conditions like that.

* (2240)

It started me thinking as I grew older and as I studied and worked at various occupations, why was this happening? The conclusion I came to was because of the imbalance of influence. The employer held all the cards. I was a 14-year old at that time. As an 18-year old I had to put up with things that were not right, that we would all speak for in today's legislation. Human rights for example, something that is very close to me, was unheard of in those days. I was refused jobs because of an accent, because I was an immigrant. We recognize today that these things should not happen. So we have this process of evolution.

I went on to the hotel industry. I have worked five provinces out of 10 in this country. I have negotiated contracts from both sides of the table and continued to look at this whole question of labour strife, labour management relations. Again the conclusion I came to was the more imbalance there was, the more strife there was. The more times the frustrations of the worker are raised because of the inability to sit down and communicate and talk with the employer, the more imbalance you have and the more labour strife you have.

Arbitration is one aspect of communication other than a strike and it works as far as it goes, but oftentimes the compromises reached in binding arbitration do not satisfy either party. The employer walks away unhappy with the arbitrator's decision. The employees walk away in much the same fashion.

I first learned of final offer selection as I studied and went into teaching in a post-secondary institution teaching personnel matters. I looked at it from the Australian perspective, the Australian model, some years ago. It was unheard of in this country at that time, but it made sense. I discussed it with my peers and looking at various models and it made sense, and it still does.

There is an argument I have heard of late when the repeal of final offer selection came up that the repeal is being done for the benefit of workers. The workers

are divided on this issue. I have followed that up and I find that argument really is out of date. The main groups that were against final offer selection are now for it.

The other argument we hear is that it is unfair to business and that legislation should not impinge upon or limit a business's opportunity to make a profit. I wonder would that argument be made in other areas of concern? For example, would we tolerate Love Canal and the negative environmental impact of business in the past and apply that same yard stick? I would suggest to you that we would not.

In fair trade practices we have legislation there again that limits what business can do or what they can get away with, again creating that balance between the community and business interests. I think final offer selection should be looked at in that perspective. It creates a balance. It creates an opportunity for counselling, if you like, when the employer and the employee cannot come to terms on one or more issues that they go to the mediator, they go to the final offer selector and they say, here is the issue, you decide.

The question has also come up, why are various political Parties for or against final offer selection? The Conservative Party, and I can understand their position, they do represent business interests. The Liberal Party I do not understand unless I look at their activities in the House since being elected. Frankly, the Liberal Party has been against everything and this is why I think they are looking to repeal this one.

I will not detain you. You are working hard on this issue, but I would ask you to look at those things. I apologize if my comments are too personal in nature, but I must emphasize I have from the age of 14 been working in this country. Those are the perspectives I have come to from that experience. The process of being strait jacketed because you have no say, you have no control over your life, was changed in various legislation in the last 30 some years, and I think this is just one part of that evolutionary process that should be given a chance to—just like child labour laws. People were against those when they came in. It should be given an opportunity to either prove itself or disprove itself. Thank you.

Mr. Chairman: Thank you, Mr. McDonnell. Mr. Ashton, you have a question for the presenter?

Mr. Ashton: Yes, Mr. Chairperson, I find your perspective to be interesting and you focus in on, just from your own personal experience, some of the changes that have taken place in the workplace and in society generally. Of course, you are quite correct that each and every time a lot of these changes were introduced, including labour relations, there was a significant amount of opposition. In 1972, when major changes were brought in under the Schreyer Government, in the 1980s and, of course, including in 1987 when final offer selection was introduced.

What I want to ask you is—we are dealing with a procedure that has been in place in this case since 1987. It was put in place for a five-year period,

recognizing it was fairly new and innovative, and recognizing there were concerns. You pointed to some of those yourself. You have stated that you believe final offer selection should be given a chance.

What I would like to ask you is, from the people you have talked to, what their opinion is in terms of final offer selection. The reason I ask that is because I, too, have asked the question, why there is this push from both Liberals and Conservatives to kill final offer selection. I just want to ask, are you picking up talking to people—whether it be people you work with or friends or neighbours—any real ground swell of opposition, any real push to have final offer selection repealed?

Mr. McDonnell: The conversations that I have had with peers, particularly those who are involved in studies in the personnel labour relations field, have in the main, I would say 90 percent in favour of this as a process, a civilized process of settling differences.

If you look at the history of strikes in this country and the violence that was at one time on the picket line, this is not a way to resolve disputes in a civilized country. By far the majority, as I would say 90 percent of those people I have spoken with, who have examined it, who have looked at it from a non-emotional point of view, from an academic point of view, feel that this is one that should go the distance, go the five years that it was implemented for, then evaluated at that time.

Mr. Ashton: It is interesting that you mention in terms of that sort of perspective, because traditionally Canada has had the second highest rate of strikes per capita in the world, and that has been fairly consistent over the last several decades. It is interesting because in the case of Manitoba we are the exception to the Canadian rule. We have had traditionally, especially in the last number of years, relatively low numbers of days lost to strikes. As I pointed out to a previous presenter tonight, we had the second lowest in 1989. We had our lowest in 17 years. I have been asking people from this perspective. We have had people come forward, trying to suggest that somehow we do not have a good climate in labour relations in Manitoba.

* (2250)

I am just asking, talking to the same people again who expressed their views on final offer selection, are they of the opinion that final offer selection is in any way harming Manitoba's situation as being the exception to the Canadian rule? In other words, that we have generally a better climate of labour relations? Or are the people you are talking to of the opinion that final offer selection is contributing to improved labour relations in Manitoba?

Mr. McDonnell: I think that should be looked at on the broader perspective of Manitoba's role in the Canadian way of life. I have worked five provinces out of ten. I have lived on both coasts, and not only am I a Canadian by choice but I decided to stay in Winnipeg when transferred here and refused transfers out of here because of the quality of life in this province, because of the mix of life in this province.

We are out of step with the rest of the country, pretty well the rest of the country, on the Meech Lake Accord. Does that mean to say we are wrong? We have a lot to offer other jurisdictions, other parts of the country, in terms of our approach to problems and our approach to the quality of life in this province, in our approach to the social fabric and the economic fabric of this province. Perhaps we do not do enough work, and this is not the job of this committee, I know, in blowing our horns. Recent newspaper articles indicate that the business taxes in this province, in the City of Winnipeg particularly, are the lowest in the country. Somewhere we have not got that message to the people who make the decisions on locating industry.

I think any objective view of the labour situation, the labour climate, would indicate that this province is a leader in Canada in terms of the relationships between employers and employees.

Mr. Ashton: It is interesting that you mention that, because earlier tonight we had a presenter who painted a very bleak picture of our situation relative to others. I of course had quoted the comments of the Minister of Industry, Trade and Tourism (Mr. Ernst). I will not quote them in their entirety again, but he did say "that Manitoba has one of North America's best labour reputations." You are suggesting that perhaps part of the problem is on a whole series of issues and probably including final offer selection. We have not been aggressive enough in pointing to the fact that some of the fears and some of the gloomy sort of predictions we heard when some of these things were introduced just have not turned out to be the case. In fact, we have consistently one of the best records of labour relations in Canada.

Mr. McDonnell: Very true, and it ties in with the broader perspective. Look at, for example, the SuperValu strike of 120 days and compare that with the Gainers strike of similar length in Edmonton, which is a city I still take an interest in that I came to in this country. But look at the policing that was involved in that, the overtime, the violence that went on with that, and so on. This is a province that is, compared to the rest of the country, somewhat limited in its labour codes. They are probably twenty years behind Manitoba. It comes back to what I was saying earlier. It creates a frustration that leads to labour strife. I do not know if I answered your question fully or not.

Mr. Ashton: I think you provide a very useful insight, because it is interesting, even the Manitoba Chamber of Commerce, who came here to oppose final offer selection included in its brief an observation that the changes that have been brought in legislation since 1982 have basically encouraged employers not to impose lockouts to the same extent they were previously. I found that to be an interesting comment because it was traditionally used to try and deflect from our arguments that the statistics could show, and there are a lot of factors, but certainly could be used to suggest that final offer selection is working. The suggestion was made that now we have a low rate of strike, we have good labour relations, not because of FOS, but because of the changes that were brought

in since 1972, which I will accept. I am surprised because the Chamber of Commerce opposed those.

You mention you worked in five out of 10 provinces and you have seen the differences in terms of labour legislation. You are really saying, as I understand it, that you feel from your experience, not just here in Manitoba but in other provinces, that we have a better system of labour relations than other provinces and that, whether it be final offer selection as one component, whether it be 15 or 20 different reasons, those are all part of the reason why we have such a good record of labour relations.

Mr. McDonnell: Well, I see it as evolutionary again. In the five provinces I worked, I was involved in labour strikes where the hotels had labour problems with the one exception, Winnipeg. Again, it was pre FOS days, final offer selection days, but I think it is indicative of Manitoba's approach to settling problems within the citizenry of the province. We have, for example, the earliest, among the earliest I should say because I might be incorrect on that, and the best human rights legislation. We have all through the social fabric and the legislative fabric, economic fabric, we have this approach to things that—perhaps stating it a little too strongly—seem to be a little more civilized than some of the other provinces I worked with. We work out differences and final offer selection is one more in the process.

Mr. Ashton: That is interesting because you mentioned human rights. I remember some dire predictions took place when we made some changes to The Human Rights Act a number of years ago and how those dissipated very quickly. It is an interesting comment in terms of how sometimes our worst problem in dealing with issues is fears. I just want to ask you, though, in concluding here, I realize it is late and I thank you for coming in tonight and speaking to us at this late hour. I would like to ask you if you have really ever been consulted on this, I have asked other presenters. You mentioned earlier that the people you have talked to are saying they do support final offer selection, but has the Minister of Labour (Mrs. Hammond), the Liberal Labour Critic in any way, shape or form, or the people who are leading the Opposition, therefore, are apportioning for the passage of Bill 31, have they ever talked to you, or has there been much consultation with the people you have referred to?

Mr. McDonnell: There has been no consultation with me, there has been no discussion with any Member of either Party and in discussing it with numbers of other people no contact has been made there, no consultation has been taking place there either.

Mr. Ashton: Just a final question. What is your recommendation to this committee then, what would you suggest we do, not only in terms of the Bill, but in terms of looking at final offer selection generally?

Mr. McDonnell: My recommendation, and I make this as strong as I possibly can, is to let it run its course. We do this in other areas in this province; we try something out and unless something major appears

immediately or in the short term that says we have to do something, we let things work out. We experiment in this province, we try and if there is a problem we correct or we change. From what I have seen of final offer selection, what I have seen in terms of the, and you have probably heard this, contracts that were settled via final offer selection satisfactorily, when you see that those in the labour movement who were against it initially have come around to see it, then I think it should run its course; try it and evaluate it at that time.

In education, we are in a continually experimental process, we try new techniques in education. Sometimes they do not work. If it is indicative at the outset that there is a problem there, then you go in and fix. If it is working, and you have prescribed a period for which you let it run and then evaluate, that is what we do.

You build a car, the first time it has a flat tire you do not scrap the planning. You let it run, you evaluate, you test it, and that would be my strongest recommendation to this committee.

Mr. Chairman: Mr. Patterson, do you have a question?

Mr. Patterson: Yes, thank you, Mr. Chairperson. Mr. McDonnell, you have stated that you have not yourself and you are not aware of several other individuals whom you know, have been consulted on this matter by, let us say a Liberal Labour Critic or others. Would you not agree that, while this has been your experience, it does not necessarily follow there has been no contact made with workers or union executives?

* (2300)

Mr. McDonnell: I would not try to suggest to this committee that I have contacted every member or citizen in this province to see if the Liberals or Conservatives have spoken with them, or the NDP for that matter. My experience has been that there is no contact made. I am in touch with the Business Administration faculty at Red River Community College, the Commerce faculty at the University of Manitoba, and the school of business, University of Winnipeg. These are people who can study these issues and study them at length and in an unemotional way, an academic way, and I do not know of any consultation, Sir.

Mr. Chairman: Thank you very much for your presentation, Mr. McDonnell. Prior to rising—Mr. Patterson.

Mr. Patterson: I have one more question for Mr. McDonnell, please.

Mr. Chairman: Will the committee allow Mr. Patterson one more question? (Agreed).

Mr. Patterson: You made a statement during your presentation, Mr. McDonnell, about the Liberal Party being against everything. I would like to know just what you mean by that? We are supporting the Government on this particular Bill, but I want it clearly on the record and understood that the Liberal Party is not anti-labour, anti-union, or out for union busting and so on. To get to my question, I just wonder what you meant by the Liberal being against everything. What are the everythings?

Mr. McDonnell: Well, Sir, first let me preface my remarks by stating that is a personal observation. The perception I have is limited to the newspaper and television newsclips. It seems that it is from one critical comment to another, usually—and again this is perception—not really supported by the realities of life. I say that you are against everything because your Leader in the House was the one who suggested paid parking for civil servants with a total—I am nervous here, Mr. Ashton, so please do not throw me off—with a total ignorance of the fact that there is a collective agreement in place and there is conditions of employment in place and so forth. Again, it is a personal thing, but that tells me what the Liberal Party is, where they are worried about the working individual.

Mr. Chairman: Thank you, Mr. McDonnell. Prior to rising for the evening, I would like to remind committee Members and members of the public that the committee will also be meeting tomorrow, Wednesday, February 28, at 8 p.m.

The time is now 11:03. Committee rise.

COMMITTEE ROSE AT: 11:03 p.m.