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of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, August 10, 2000

The House met at 10 a.m.

PRAYERS

ORDERS OF THE DAY

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call debate on second readings, 18 and 44.

DEBATE ON SECOND READINGS

Bill 18—The Labour Relations Amendment Act

Mr. Speaker: On the proposed motion of the Honourable Minister of Labour (Ms. Barrett), Bill 18, The Labour Relations Amendment Act (Loi modifiant la Loi sur les relations du travail), standing in the name of the Honourable Member for Springfield.

Mr. Ron Schuler (Springfield): Mr. Speaker, it is a pleasure for me to get up in this House and put some comments on the record in regard to Bill 18. This seems to be a very busy morning for the Member for Springfield, and the Government with all their bills are certainly keeping the Labour critic on his feet. With a little bit of help from my friends, I seem to be getting my act together here.

Bill 18 is a bill that we understand the direction the Government is trying to go with it. We do have some concerns and certainly do want to raise them when Bill 18 gets into committee. We understand, of course, that if a nationally chartered business sells off assets in the province of Manitoba that de facto the union contracts are transferred from the nationally chartered corporation to a provincial company. I guess that is not where we have some questions and questions we would like to ask in committee.

When we were in Estimates, I had the opportunity to speak to the Minister of Labour on this particular issue, and she indicated—and I

do not happen to have Hansard with me right now—on the record that this particular bill was, in large degree, dealing with the shortline railways that are being established in Manitoba. As we know, the whole railway industry is under dramatic change, a change the likes that has never been seen in the history of this country. Personally speaking, Mr. Speaker, I think it is good to see that the monopolies are being broken, that entrepreneurs are being allowed in to deal with some of the shortlines.

I guess our main question about this bill is that if you were to buy 200 kilometres, if you buy 300 kilometres, or whatever it may be, of basic property, if you are just buying the rail, the property underneath the rails, does it also mean that you then inherit the union with it? We understand if you are buying a plant, if you are buying a shop where you have multiple workers in it, I mean, that part of it I think is very clear. I guess the best analogy to use, it is a concern of ours that this not be the kind of bill that if you walk into Aldo's and buy a pair of shoes, does that mean you get the union with it? The same thing applies to this. If you are just buying the rails and the real estate, you are not buying rolling stock, you are not buying the shop yards, you are just buying real estate, does that mean that a union transfers with it?

That certainly is the focus of our concern. It is an area where we will have some questions for the Government, and perhaps if that was not the intent, then that could be clarified in the Bill and could lay out, for all of those who are looking at getting into shortline railways, that the point was not to go after those individuals or those companies buying mere real estate, that it was more focus on those buying rolling stock, those that were buying into the shop. So that is probably the main area where we have concerns, and we would like to see some clarification at committee, and perhaps that is the one area where we will be looking at making some amendments.

The shortline industry in Manitoba is, dare one say, the lifeblood of a lot of communities. It

has allowed to continue on doing commerce in a more competitive way. If the short lines become nonfeasible and are left abandoned and later on are just scavenged and are no more, that hurts rural Manitoba more than it will impact or affect anywhere else. Certainly I think this House and certainly on this side, that would be a concern of ours, that this not be seen, this not be looked upon as an anti-shortline railway bill.

Again, we will want to have some clarification on these particular matters. I believe there will be some presentations. We will want to hear the presentations, and perhaps we will be looking at clarifying what exactly it is that this bill is trying to attempt, because the rural areas have not had a good two, three years. They have had heavy rains. Certainly in the southwest, they have had rain unlike ever seen before. They could not even get their crops in, so they did not qualify for a lot of insurance programs. We have had low commodity prices; if it was not one thing, they have been hit by another. This would just be another attack on those communities that need a reasonable, that need a competitive alternative to getting their product to market.

I hope it is not the Government's intent to shut down the shortline railways. Certainly these will be some of the issues that we will be bringing up when we get into committee. So I will not take any more time of this House because I believe it should go to committee, and it should be addressed, and hopefully we can come out with a bill that clearly defines what the intent is. I thank you for that.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise to speak on Bill 18, and I rise with a number of concerns. I am concerned that this bill is just one part of an unmitigated attack on small business by the NDP Government. We have seen in clause after clause after clause of bills inserted clauses which will have an adverse impact on small business in Manitoba. What we are looking at in terms of a change from a mainline railway to a shortline railway, which would then come under this act, is a change in the way that business is done, from a very large national or in some cases a multinational company as CN is becoming, to a small Manitoba-based, small entrepreneur-driven business. It may be that this is a co-operative

enterprise. There are all sorts of innovative frameworks that a shortline railway can take, and clearly what we do not want to be seen to be or to be in Manitoba is against innovation, against those groups of Manitobans and individual Manitobans who want to start businesses and grow businesses here in Manitoba.

* (10:10)

As we all know, the start-up phase for many small businesses is often a difficult one, a trying one, as you go through a period when you are building your market. It is a period when, from a small business perspective, you need to be able to build from the ground up without having to be automatically shackled in the rigid chains of legislation which are primarily designed for large multinationals.

The framework of operation is totally different. We need to make sure that this bill does not create the kind of adverse environment that it would appear to create for the generation of shortline railways in this province. During the debate and discussion at committee stage on Bill 14, The Provincial Railways Amendment Act, we heard several eloquent presentations from individuals who were concerned about the impact of this bill.

Clearly, although the shortline railway is an industry which is impacted, we need to consider that there may be a variety of other impacts as well. Many other businesses in the current environment, which are moving from larger to smaller, which could have Manitoba-based dynamic entrepreneurs working very hard building Manitoba-based businesses that we want to create an environment where that can happen in a very vigorous way.

The last thing we should do in this province is to create impediments to entrepreneurs wanting to create that environment. Sure there needs to be rules. Sure there needs to be attention to environmental approaches and so on, but these must be clear. In terms of the framework for starting up a new business, that business should be allowed to start from scratch without being imposed upon rules which are inherited from its previous business in way that

would make it virtually impossible to start up new shortline railways.

Farmers who are trying to get their produce to market, miners who want to make use of shortline railways to get their production to market, we are hoping that there will be a large number of value-added processors in this province who want to get their product to market over shortline railways. The reality is that we need to create the conditions where those shortline railways will grow in a very vigorous and dynamic way.

I hope that the Government will listen very carefully to presentations from those in the industry and other industries at committee session. This bill has the potential to have a very negative impact on shortline operators, a very negative impact on farmers and all these other groups who want to get their products to market. It has a negative impact on innovation.

I look forward to hearing comments from people at committee stage, but let us put on the record, let me put on the record, that one of the most important things that we can do for this province is to encourage small business, innovation and farmers, and to the extent that this bill appears and is anti-farmer, anti-small business, anti-innovation, then I am opposed to it.

Mr. Speaker: Is the House ready for the question?

An Honourable Member: Question.

Mr. Speaker: The question before the House is second reading of Bill 18, The Labour Relations Amendment Act (Loi modifiant la Loi sur les relations du travail).

Is it the pleasure of the House to adopt the motion?

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

**Bill 44—The Labour Relations
Amendment Act (2)**

Mr. Speaker: Bill 44, The Labour Relations Amendment Act (2) (Loi no 2 modifiant la Loi

sur les relations du travail), standing in the name of the Honourable Member for Charleswood (Mrs. Driedger).

Is it the will of the House for the Bill to remain standing in the name of the Honourable Member for Charleswood?

Some Honourable Members: No.

Mr. Speaker: It has been denied.

Mr. Leonard Derkach (Russell): Mr. Speaker, it is not indeed a pleasure to speak to this bill because it is one that gives us and gives Manitobans a great deal of concern and heartache. Nevertheless I think it is important that we do put comments on the record to try to convince the Minister and the Government to bring in some amendments to this bill that would give it more balance, that would reflect, I guess, the words and the thoughts and the message that has been given to us by many people in this province since this bill has been introduced.

The amendments to this legislation tip the balance in favour of labour unions, and that is something that once again strikes at the heart of the economy of this province. It strikes at the heart of fairness in this province, and it takes away from the freedoms of people. We have heard this message before in this House, where other pieces of legislation that have been brought forward by this government have interfered and have trampled on the rights and freedoms of Manitobans. This bill, once again, follows in that order.

Mr. Speaker, for a government who has been in office less than a year, we are quite appalled at the direction and the swiftness in which this government has moved in a negative way and the impact it is going to have on the economy of our province. When this government took over, they took over a province which was healthy in terms of its finances, healthy in terms of the economy, healthy in terms of the employment that we had in this province. It was not like the early years that we took over as a government in this province because we had one of the highest unemployments in the country when we took over office. We had an economy that was in the toilet so to speak. We had the

largest deficits, the second-largest debt I think in the country, and we as a province were undergoing some tremendous hardships when we took the reins of government from the then Pawley administration.

Through the 10 years, 11 years that we were in government, we built this province to the point where we had one of the lowest unemployment rates in the country. We had, I think, the second-best economic growth in the country. We had lowered personal income tax and major taxes for Manitobans that put us in line with what other jurisdictions were doing, and we had an economy that was moving ahead swiftly.

How quickly this can come to a halt if in fact a government moves in a different direction and causes people to think twice about whether they want to invest in our province or not. The legislation that has been tabled in this House since this session began certainly puts all of that in perspective and certainly puts all of that in jeopardy.

An Honourable Member: The sky is falling.

Mr. Derkach: Mr. Speaker, the Member for Burrows (Mr. Martindale) says the sky is falling, but I am wondering whether he really cares whether the sky is falling. We are not saying the sky is falling, but we are saying that there is a dark cloud on the horizon, and indeed businesses are taking a second look at Manitoba. Do not take it from me. The Government does not have to take it from me. All they have to do is meet with the business community. All they have to do is meet with the chambers of commerce both of Winnipeg and the Manitoba Chamber of Commerce. All they have to do is meet with the coalition, and they will find out very clearly that these people are concerned about the direction this government is moving.

Now they are prepared to work with the Government, of course. They have to work with government. I think that the business community has been very positive in sending a message to this government that they are prepared to work with this government. But, on the other hand, it has to be reciprocal. You cannot simply have it one way.

I can understand that this government wants to tip the scales somewhat to favour unions, but they have gone overboard. The pendulum has swung too far. It does not matter whether you look at this bill, you look at the Bill that we just passed into committee, Bill 18, whether you look at Bill 42, look at Bill 4. Every one of these pieces of legislation are regressive. They are not progressive legislation. I think that is what we are speaking about here today.

* (10:20)

Why has this session gone on inordinately long? Because the point has to be made that someone has to stand up for Manitobans, and this side of the House is doing that. When I look at what the newspapers say about this legislation, one has to at least pay some attention to the comments that are being made by editorials, to the comments that are being made by people who write in the newspapers, who are being interviewed by reporters of newspapers, who are being interviewed by reporters of our news media, whether it is television or radio. If you listen to the talk shows, you have to get the impression that something is wrong with this legislation.

Now, Mr. Speaker, we have been in government. I have been on the other side of the House. I know that, from time to time, you get the sense that sometimes the media in our province tend to skew things somewhat. Of course, when you are in government and you are in a position where you have to make decisions, sometimes you feel that the world is against you. I know that now the government of the day feels that all of the news media are against them.

But let us go beyond the news media. Let us go to the people who generate the incomes, generate the wealth for our province. What are they saying about this legislation and about the legislation that has been introduced in the House this year? I do not find very many positive comments. I find a lot of negativism. I find a lot of apprehension in terms of where this province is going, and indeed there is serious concern out there about whether or not this province is friendly to the opportunities that could in fact be enjoyed by the people of this province. If we start seeing businesses leave this province, what

it means is we are going to have fewer jobs, and with fewer jobs the taxes are going to have to increase. All of that is like a domino effect. It is simply one action leads to another, and that is going to be negative for all of us who live in this province.

I am proud of this province, and I know that many people are. We have worked very hard as a government before to try to make sure that our province was strong, that our people were strong and that indeed we were a place seen as one where it was friendly to investment, it was friendly to companies that were coming in.

I look at one sector of the economy, and that is the high-tech industry. If this province is going to seize the advantages of the 21st century then I think we need to be in that area of the knowledge-based industries. As a government, we started to establish a bit of a nucleus here in terms of bringing to Manitoba knowledge-based industries, the high-tech industries. If you look at the way that our universities, our community colleges and our educational institutions were focussing their attention, everybody was in line in terms of making sure that our people were trained in that area.

I talked to Red River College just yesterday. They were telling me that their focus, their vision for education in this province, has to be at the high-tech industries, the knowledge-based industries. Now, it does not mean that they simply forget about everything else they have been doing, but we have to be in tune with what the world is doing. The globe is shrinking. We have to understand what is happening in other areas of the world, Mr. Speaker, and we have to make sure that we are at the leading edge if we are going to attract this kind of investment, this kind of business, to our province. This legislation does nothing for that. This legislation works against that.

I want to go through certain sections of the Bill, but before I do, I just want to bring the attention of this House to some of the comments and some of the quotes that were made by business leaders, by people who have some influence in terms of the economy of our province. Mr. Speaker, I do not take anything away from the people who are the union workers

who work in our manufacturing sectors, because these are hard-working people, and indeed they contribute significantly to the economy. But when you skew the bargaining process within our province to the point where you tie the hands of management and tie the hands of the people who pay the bills, then that is simply unfair.

If you look at some of the quotes in the papers and of people who have had something to say about this legislation, it is very interesting. First of all, I look at a quote from Mr. Dan Kelly, who is the CEO of the Canadian Federation of Independent Businesses. He says: "This is absolutely shocking legislation. The true colours of this government are starting to become very, very clear." To go on, Kelly called the proposed changes pro-union legislation and predicts that they will scare business out of the province.

Mr. Speaker, we have heard that from more than Dan Kelly. We have heard that from other business leaders. Businesses sometimes are reluctant to get into the fray of this kind of debate. Instead they will vote with their feet. When they see this kind of legislation passed in the province, instead of trying to fight it, instead of becoming very vocal about it, they simply look at other jurisdictions which are more friendly to them, and they will move their businesses, their head offices to those jurisdictions. I think we are seeing that happen already.

The leader of our party asked some questions of the Premier (Mr. Doer) yesterday and the day before about Schneider. That is an opportunity for our province. There are some 10 000 jobs, I believe, that could be had in our province as a result of Schneider coming in. The Premier of the day said in this House that one of the reasons that Schneider was on hold or stalling or was not moving ahead as quickly as it had intended to was because there was a shortage of hogs.

I recall the days when Maple Leaf was looking at locating in our province, when Springhill at Neepawa was expanding their operation, doubling the size of their processing plant. They did not wait for the hogs to be produced in the province and then put the plant

in operation. They worked with government to make sure that in tandem we increased the capacity of the plant and at the same time we encouraged the production of hogs in our province.

Manitoba is a very small player in terms of hog production compared to many other jurisdictions. Yes, we put in legislation as a government that was very tough, the best in the country, I believe, and still is, Mr. Speaker, which said that if we are going to get into hog production, we have to do it in a sustainable way where we consider the impact of hog production in this province on the environment and on people.

So Maple Leaf came on-stream. Maple Leaf came on-stream in phases. They said the first phase would be 1200 workers or so and the second phase would be another 1200 workers at the plant and they would ramp that up as hog production increased in our province.

Well, Mr. Speaker, when I look at the amendments to The Planning Act that were brought forward to this House, I ask myself the question whether or not this government is in favour of ensuring that the livestock industry expands. The municipalities and the planning districts who had authority before are now going to be overruled by the Minister because it is the Minister who has to sign off on each and every development.

Mr. Speaker, that is not how you develop a province. That is not how you go forward in a province. That is why you have companies like Schneider's who are saying let us pause before we make this kind of significant investment in this jurisdiction. Let us take a look at the direction that this province is going in. I dare predict, and I would hate to do this, but I would predict that Maple Leaf are also going to be taking another look at whether or not they are going to ramp up their production as quickly and as hard as they were going to when we were in government.

Because this legislation, Bill 44, the amendments to The Planning Act, Bill 18, Bill

42 are all signals. They are signals to the economy of this province, and they are not a good signal, because indeed if we continue in this vein, this province is going to slip back to the days of Howard Pawley. I have nothing personal against Mr. Pawley, but indeed during his six years in government, five and a half years in government, this province underwent some tremendous difficulties. Why? Because of the subtle changes that were made. Maybe they were not so subtle, but they were changes that led business to believe that Manitoba was a non-friendly place for business to develop and that we were not open for business.

* (10:30)

I look at our young pages in this Assembly. There are many young people like these who are looking at the future of our province, who are looking at this province as a place that they call home. They want this province to be strong. Mr. Speaker, you and I both have young families who are also looking at our province as home. They want this province to be strong, they want this province to be healthy.

I compare our province to Alberta. Alberta is a place where young people seem to want to migrate to, but during our term in government Manitoba was that kind of a province. Manitoba was starting to bring young people, young families back into this province—*[interjection]* The Minister of Labour (Ms. Barrett) says: Look at the out-migration. Well, Mr. Speaker, I looked at the final statistics and I looked at the population of our province, and the increase in the population in our province over the course of 11 years of Conservative government. You know what is interesting? In the six years previous, the population of this province went down. In the last 11 years, the population of our province went up. If you look at the demographics and look at where the population increase was, it was all in young people. They were young people, young families who were coming back to our province.

I have examples of that right in my own community where young people who had moved away were coming back with young families. That is what we need more of. As a matter of fact, just last week I interviewed a young family

who have two young children who wanted to move from Alberta to Manitoba because this was their home. This is where they were born and raised and they were coming back now. They had been in Alberta for 10 or 12 years. They were wanting to come back home to Manitoba.

Why do I say that? I say that because this is a great province. This is a province where young people enjoy living. We have a very beautiful province. If you look across our province, if you look at the North, the south, the east and the west, we have a very diverse kind of landscape, one that can be enjoyed by a number of people. You look at the quality of life in this province and it is second to none. So why do we want to destroy that? Why do we want to make this province one where people do not want to come to, where business does not want to come to? What is the short-sightedness of this government when it comes to looking at the broader issues, looking at the long term?

Now, you might say this bill will not impact on the economy of this province at all. It is just a small piece of legislation. No one is going to really pay much attention to it. Labour is going to get a bit of an advantage. So what? So what is the big deal? Well, Mr. Speaker, it is a big deal. This was an election promise that was made by the New Democrats during the campaign. They are trying to fulfill this election promise. I think that the Minister has gone too far, though, in trying to fulfil that promise.

I want to just go through sections of this bill to show the people of this province and I think express my views in terms of where this legislation is flawed.

Right from the very beginning, if you look at this bill, it simply, as I have stated before, tips the balance in favour of one side of a bargaining unit. We believe in free collective bargaining. Our government believed in that. We passed legislation that provided a process where there was a level playing field. Free collective bargaining is something that we should all hold dearly in this province, because we do not want to see the hardworking people of our province trampled on. There have been times in history when working people were taken advantage of seriously. So that had to be corrected.

But government's responsibility is to make sure that there is some balance, to make sure that we do not skew the system in such a way that it ties the hands of one of the players in a bargaining situation. We see that happen on more than one occasion with the legislation that has been presented in this House by this government: first of all, Bill 42, that repeals Bill 72.

Mr. Speaker, when you look at Bill 42 it is very much like Bill 44, except it speaks to the teachers. Now, I have talked to teachers all around the province, and there are those who say, oh, yes, we should be under The Labour Relations Act. Others say that it is a huge step backwards. We believe that it is a huge step backwards too, because the teachers are no longer dealt with under The Teachers' Society Act. As a matter of fact, they are dealt with under The Labour Relations Act. Again, they will have inordinate powers in terms of bargaining with their trustees, as compared to what they had before. Bill 72 could have been amended, yes, but once again this government has gone too far.

Mr. Speaker, the Minister said that all of the issues went to the Labour Management Review Committee, I believe it is called, LMRC, and they reviewed the proposed amendments. However, she admitted in the House that some of the articles did not go to LMRC, as a matter of fact, that some were brought into the House without going through that process. I asked the question why. I think the Minister knows why. I think she knew very clearly that if those parts of the bill were to go through that process that there would have been no agreement that that legislation should be changed in that way.

We talk about this bill and we look at the 60 days before an issue goes to binding arbitration. The question is: Why are we looking at 60 days? What is the big rush in terms of 60 days? I have been in a negotiation process myself, in a bargaining process myself, and I know that there are times, because of the calendar year when committees do not meet, when they cannot meet, when things interfere with the process, and indeed a process might take far longer than the 60 days. But the Minister here is rushing. She

says that if an agreement is not reached within 60 days, then the union can apply for arbitration.

Well, Mr. Speaker, not only is this a rush process, but the other part of it is that it ties the hands of the employer, because the employer has no recourse when the union decides to take this to an arbitration process. That simply makes the whole process unfair, because the employer should have the same abilities that the union has when it comes to sending a particular case or dispute to an arbitration panel or an arbitrator.

So I wonder why the Minister has moved in this direction. It is very clear, because the advantage then becomes that of the union rather than a level playing field as it should be.

We go on from there, and we look at the certification of workers. We believe in democracy; we believe in freedom; we believe that people should have a choice. I think that is a fundamental belief that all of us should have. What is wrong with a secret ballot? We do that in elections. We do that in many forms in our democracy. So how can you argue that democratic process in terms of a secret ballot? Well, this is a question that we would like to hear the Minister answer because she has not answered that question. She has not answered it for the House. She has not answered it for the people of Manitoba.

The President of the Manitoba Chamber of Commerce calls this provision a regressive step, something backed up by the Minister's own words over and over again in the House when she indicated that this provision was a return to the way things had been in the 30 years previous to the Filmon government's amendments in 1996. So we are back to the old days, Mr. Speaker. I think that, again, is a regressive step. I think it was very clear when we saw the articles in the paper. They were saying that the Doer government is stepping back to the days of Howard Pawley. Again, we are regressing back to the days which were significantly dark days for this province.

* (10:40)

I think workers are intelligent people. I think workers should be respected. I think if workers

want to belong to a union they will indicate that through a ballot. Why, then, is the Government saying that if in fact 60 percent of people want to belong to a union then the union is automatically in? Well, I do not think that is fair. I do not think that is democratic. As a matter of fact, I think that is anti-democratic.

There is one part of the legislation that was introduced in this House that I believe the Minister must take a look at because if the Minister's conscience is such that it has to be clear, this one part of the Bill has to be amended. That is the part that deals with picket line violence. It is section 12(2) of the Act that was amended. Some would say that we are supporting, through passage of this kind of legislation, acts of violence on the picket line. Well, in this province we have had one incident, and the Minister says that there was only one incident, where there was violence on a picket line.

Now, if there is violence on a picket line and people commit criminal acts, then I think they should be dealt with accordingly. But, if you look at this legislation, if someone commits violence on a picket line, then the employer cannot dismiss them. The employer must take that person back to work after the strike is over. How do you do that? How can you say that someone who is guilty of a violent act towards an employer must then be taken back to work by an employer? I think that this is bad. I think it is bad legislation. I think this is a negative part of the Act. I think that we as a society must work to stamp out violence. There should be no tolerance to violence on picket lines. If we are becoming a society where we tolerate violence on a picket line, then we indeed are stepping back to the 1920s and times when there were no laws to protect from those kinds of things.

So in my view, this government, this Premier (Mr. Doer), must take a look at this part of the Act and must amend it. I do not think that is stating it too strongly. You cannot support violence. You cannot condone violence. The Minister says she is not condoning violence. But, Mr. Speaker, she can certainly work against it if she changes this part of the legislation. She can certainly indicate very clearly that her government will not support violence or criminal

activity when it comes to picket line violence, and she has not done that. That is something that I think she will be judged by, whether or not she is prepared to remove that from the legislation, and indeed this government will be judged by that as well.

Mr. Speaker, when we look at other similar legislation that has been introduced in this House, we look at Bill 44, and we look at the advertising aspects of it. Then the Government goes ahead and brings in Bill 4 which limits third-party advertising, which limits contributions to campaigns and that sort of thing. It makes you wonder where this government is going and where they are coming from.

When you look at Bill 44, this government seems to be confused about how they are to attack the foundations of Manitoba democracy, because in Bill 4 the Government says that we are going to restrict the union participation in elections and we are going to ban donations to candidates by corporations and large businesses. However, Bill 44 removes the right of workers to be consulted about their union dues being spent for political purposes, these purposes which include, as defined in section 76.1 of The Labour Relations Act, donating to candidates, parties and political advertising. What is the Government saying here? It is saying that the working people of Manitoba do not have to be consulted in terms of where their monies are going to or whether their monies are going in support of political parties.

I think that the Government is very clear in the direction that it is moving in, in terms of skewing the system that we have in place today. It is tipping the balance in favour of unions, and that is something that we cannot condone.

Mr. Speaker, I think the fundamental risk to this bill is that it is going to impact on the economic relations that this province has had with businesses, with corporations, with attracting technology, with attracting business investment into our province, because any company that is going to take a look at this legislation will turn their back on Manitoba and move to another jurisdiction that is much more friendly.

I implore the Minister of Labour (Ms. Barrett) to take another look at this, to take a closer look at this, to bring in amendments that are friendly to the business community, if you like, to Manitobans in general. The newspapers are not out of sync when they say, and I quote from *The Winnipeg Sun*, and it was in an editorial, and it says: It was in the spirit of Pawley that his successor, Premier Gary Doer, turned back the clock to the 1980s this week, saddling Manitobans with the most one-sided union labour law changes—

Mr. Speaker: Order. I would just like to remind all honourable members when referring to other members in the House to refer to them by constituency or by their titles, even if quoting from papers.

Mr. Derkach: So therefore I would change the quote by simply taking out the name of the Premier and simply inserting: That it was in the spirit of Pawley, I guess is all right, that his successor, the Premier, turned back the clock to the 1980s this week, saddling Manitobans with the most one-sided pro-union labour law changes since the Pawley regime.

Mr. Speaker, that says it all. That says we are indeed going back to the days of Howard Pawley, that we are slipping back to a time when there was a dark cloud over this province. We are going back to when indeed this province was seen as a "have-not" province. As a matter of fact, I think it was the Liberal Leader who kind of labelled Manitoba as a have-not province. We have never looked at Manitoba in that way. We believe Manitoba can be a "have" province. Manitoba is a "have" province. We have shown over the past 11 years that this province can grow, did grow, did attract business, did attract young people back to it. We can show that we can compete with the best in the world.

If you look at the agricultural producers of our province, they can compete with the best in the world. The products that are produced here in this province are sought after by every province, every country that is looking for food, every country that is looking for the produce that we can provide.

So our people are strong. Manitobans are strong. I go back to the days when we used to put on the rural forums and the Winter Cities Conference. People would come to our province and they would be surprised at the enthusiasm of the people of this province, at the innovation that the people in this province had, at the creativity of the people of this province. Most importantly, I think, they were really surprised that Manitoba, and they had maybe a vision of Manitoba before they came, but when they came to this province, they saw a beautiful province, a friendly province, a province that had resources, a province that was strong in its people and strong in its economy. That is what we want of this province, and I know that is what you want of this province, Mr. Speaker.

I recall the days when I used to travel to other places. One in particular was the North, Mr. Speaker, which you are familiar with. I recall it because I look at you and I think of the times when I was privileged to travel to the new territory of Nunavut and to meet with the people there. They had a very good sense about Manitoba. They looked at Manitoba as a land of plenty; they looked at Manitoba as a land of opportunity; they looked at Manitoba as a place where things could be.

I daresay that many of the people in the Nunavut area would like their province to be like Manitoba is in many respects. They can be, because the biggest resource that Manitoba has is the strength of our people. The strength of our people is something that we have to build on.

*(10:50)

Bill 44 does not do that. Bill 44 discourages the kind of investment that we need to continue to make in our province to make this province grow. I mention the rural forums. I think our largest rural forum was in excess of 10 000 people who attended the forum. Why did they attend the forum? Because they wanted to share with one another the kinds of success stories that were being lived in various communities in our province, and they were success stories.

Mr. Speaker, you and I both know that the most difficult type of economy to stimulate is the rural economy because of the small

communities that we have. Those small businesses in our small communities have to really be innovative if they are going to survive. We know that. They do not have that large marketplace at their disposal that is available to large cities and is available to large urban centres. They have to rely on their innovative skills to be able to survive. There was an enthusiasm in our province.

I recall a gentleman from Scotland and another government official from Alberta who were visiting the Rural Forum in Manitoba. They said: What is it that you people have that is so exciting in this province? We have to try and do what you are doing in Manitoba to stimulate our rural parts of our province and our jurisdictions.

There was a gentleman here at Rural Forum from the United States who said I wish we had that kind of spirit in our rural communities in our state as you have in your province.

Mr. Speaker, this is not something that government instils. We are simply a catalyst. Government is simply a catalyst in making these things happen. If we encourage people and we give them some vision that this province can grow, the people of our province will do it.

But legislation like this does not do it, because it skews the scale, it tips the balance, it allows one group, and in this case it is the unions, who are going to have the major part of the control. It does not matter, in any jurisdiction, if you tip the balance one way or another, it is going to be bad for the whole system.

With legislation like Bill 42, like Bill 44, like Bill 18, this is bad for our province. We cannot support it; I cannot support it; our side of the House cannot support it. We simply ask the Minister of Labour (Ms. Barrett), the government of the day, the Premier of the day to take another look at this type of legislation, not to drive this province into the ground, but indeed to lift this province up so that indeed we can compete with other jurisdictions across this globe. We are in a shrinking globe. We must compete. But with legislation like this, we will never be able to compete.

So, Mr. Speaker, in conclusion, I just want to simply say that we will be voting, I will be voting against this legislation unless the Minister brings in some amendments that indeed bring a more level playing field to the entire issue of the bargaining process between unions and employers, and the respect of the free-bargaining system that we have had in this province for many years is returned to the bargaining process. I thank you for the opportunity this morning.

Mr. Frank Pitura (Morris): I rise today to make—

Mr. Speaker: Could I just recognize the Honourable Member for Selkirk with committee changes before you continue? Sorry about that.

Committee Changes

Mr. Gregory Dewar (Selkirk): I thank members opposite for giving me this chance to make these committee changes.

Mr. Speaker, I move, seconded by the Member for Radisson (Ms. Cerilli), that the composition of the Standing Committee on Municipal Affairs be amended as follows: Selkirk (Mr. Dewar) for Transcona (Mr. Reid); St. Vital (Ms. Allan) for Brandon West (Mr. Smith).

Motion agreed to.

Mr. Dewar: I move, seconded by the Member for Radisson (Ms. Cerilli) that the composition of the Standing Committee on Industrial Relations be amended as follows: Minto (Ms. Mihychuk) for Thompson (Mr. Ashton).

Motion agreed to.

* * *

Mr. Pitura: Mr. Speaker, I rise today to make a few comments on the record about Bill 44 and its potential impact as I see it with regard to the provincial economy and to the province's fiscal situation on the whole.

When we left government, the state of the economy of the province was buoyant to say the least. There was very strong growth indicated for

the future and, in fact, part of the election platform for our party was that this growth would generate in the neighbourhood of a billion dollars over the next four to five years and that would be translated into a more than very vibrant economy.

It is kind of interesting, Mr. Speaker, as I start to make some comments here, that on page 27 of the Manitoba Budget, the Minister of Finance writes in this budget book that the economic outlook for Manitoba and Canada projects sustained growth over the medium term. Real average annual growth of the Manitoba economy between 2000 and 2001 to 2003 and 2004 is projected to be 2.3 percent with nominal economic growth at 4 percent. Revenue is projected to grow at an average rate of 3 percent annually. Program expenditure growth in a medium-term fiscal framework averages 2.8 percent annually and public debt servicing remains stable. There will be reduced reliance on the Fiscal Stabilization Fund and will continue to work toward eliminating the need for fund draws.

Mr. Conrad Santos, Deputy Speaker, in the Chair

It shows in the chart, Mr. Deputy Speaker, that the revenue projection for '99-2000 was set at \$6.3 billion, and that is to increase over the term 2003 to 2004 to a little over \$7 billion. I think that is in most cases a very good analysis to project, based on the conditions at the time.

Now, Mr. Deputy Speaker, when this session started in April, as the legislation was tabled in this House, you could see and I could feel anyway that the legislation that was being brought forward was legislation that was going to interrupt this type of economic growth in the province. I get concerned because if the legislation that is being brought in is going to impede these economic growth projected revenues that are in this publication, if you continue to grow the expenditure growth at 2.8 percent annually and your economic growth in terms of revenue starts to level off and starts to decline as a result of the legislation that has been brought in, then what is going to happen is that there will come a time when there will come a real hard crunch when program spending will

exceed revenue and thereby creating deficit financing.

I think that this government is heading in that direction where they are going to have indeed major problems before their term of office is up in being able to balance the books according to the balanced budget legislation. I think it is all because of the subtle yet very dramatic type of legislation that is being put forward by the government of the day.

* (11:00)

So Bill 44 I think epitomizes the type of legislation that we are seeing. The three areas of the Bill that sort of jump out at me as being areas that I get concerned with are the certification process, the mediation arbitration process that is outlined, and also the area of picket line violence. Really, all this legislation is stifling the industry in this province. It is saying to the industry that, you know, you are going to have to continue to grow the economy and you are going to have a number of roadblocks put in your way that you are going to have to overcome. We expect you to stay in the province and continue to operate in the province, even though we are doing these things to you through this legislation.

You know I take a look at not only Bill 44, Mr. Deputy Speaker, but I look at Bill 5, which is The Wildlife Amendment Act, which all of a sudden gives the Minister of Conservation (Mr. Lathlin) a tremendous amount of power over what is defined as exotic livestock, what is defined as foreign livestock. All of these livestock species that were under the agricultural animal services act are now under this act. So we have major concerns about the industry, such as the bison industry, the elk industry and the legislation the way it is written. The way it is written would actually give the Minister of Conservation, if he chose, to be able to regulate the pet industry, if you will.

So the legislation is put forward innocently to say let us control penned hunting, and you say, well, okay, that is fine. There are probably arguments to be made for penned hunting, but in my constituency penned hunting is not the issue. At the same time, there are bison producers in

my constituency that have a great deal of concern about what this legislation could do to their industry if the Minister chose to do it through regulation. That is the scary part, and I mentioned this yesterday, that the citizens of this province and of any province have to be concerned when legislators get together in a Legislative Assembly and make up and propose legislation, because ultimately the individual citizens have to have a fear that they are going to lose their individual rights and freedoms. That is always the fear that they face.

You take a look at other pieces of legislation too that sort of go along with Bill 44 in putting the whole picture together, the railway amendment acts of both Bill 14 and Bill 18. In the Morris constituency, we have two Manitoba company shortline railways operating, the Cando line and the SM line, Southern Manitoba Railway. Both of these railways came into this province based on the shortline railway legislation that was put in place by our government, and they came into this province on the basis that they could purchase the line, operate the line, employ people and create a profit. What we see with these two railway amendment act bills is that No. 1, Bill 14, I believe it stifles them in terms of being able to, if the business happens to be unprofitable, it makes it very difficult for them to shut down the business or offer it for sale.

The other area, Mr. Deputy Speaker, is that the fact remains that these two railways are here, and I have a challenge to government that over the next four years other shortline railway companies will choose to establish in Manitoba as a result of the major railways abandoning lines. I do not think it is going to happen because they are going to take a look at the legislation in Bills 14 and 18 and say No. 1, if we cannot get the value out of our assets that we are going to buy, and No. 2, if we have to carry the existing labour contract, labour management contract that was with the major railway over to our railroad then we are not going to be in a profitable situation and if there is no profit, then there is going to be no railroad. So I would say to the Government: You are going to have two shortline railroads and that is probably going to be it.

Let us go on. There is Bill 42. That has the impact of increasing property taxes for property owners across this province, so if you continue to raise taxes and you take away the incentives for businesses to locate here and to nurture and to create jobs, then what you are going to have is instead of a graph showing a rising revenue, you are going to have a graph that is going to start to show revenues decreasing. Once that happens, once those revenues start to decrease, it is going to be very difficult for a government to either implement legislation or policy to turn that graph around in time to be able to keep the revenues going up.

Then we take a look at The Planning Act amendments which have the ability, which the way it is has the impact of stifling the development and growth of the hog industry in Manitoba, or the livestock industry in total. You know, Mr. Deputy Speaker, it is quite interesting because a number of years ago I happened to read a paper, and this is going off a bit, but the paper indicated that in terms of the Red River Valley and with the heavy clay soils we have in the Red River Valley, that annual crops should not be grown in the valley, but perennial crops should be grown in the valley.

The Red River Valley, if I could dream for a bit, has the potential of being one of the largest producers of livestock in the world on an intensive basis because it has so many positive criteria for the development of the livestock industry, particularly the west side of the Red River because on the west side of the Red River we are not constricted by ground water table or wells. The bedrock below the clay soils is granite, so what you find in the granite rock outcrop is usually salt water and so in terms of utilizing wells for drinking water or potable water it is just not reality.

So the area has a tremendous amount of potential for the development of livestock, but if we take a look at The Planning Act, Bill 35, which says that every livestock operation that is going to be proposed for this province, the Minister has to sign off. It makes it mandatory that every livestock operation has to go to the technical review committee. You know, it is interesting that this technical review committee, under that legislation, has no timeline attached to

it by which it reports back with its report. So essentially what the Minister could do is create a situation where the technical review committee is established, is taking a look at this livestock operation, and it chooses to not come back with a report in due course, in what would be an acceptable timeline, but drags it out and drags it out. Well, then the project gets shut down. The people who are going to invest in the project are going to say, well, we want to invest, we will invest somewhere else and maybe we will go somewhere else to invest.

Mr. Deputy Speaker, there are a number of pieces of legislation that, when they are brought forward through this legislative session along with Bill 44, are going to create an environment where anybody from the outside of Manitoba looking to invest in Manitoba and to create jobs is going to take a look at other areas rather than Manitoba. That is what we do not want to have happen, because for decades everybody spoke about Manitoba as a have-not province. But Manitoba can be a have province, and the previous government was bringing Manitoba into the era of being a have province.

My goal as a member of that government was to get to the point in time where we as a province shared our excess revenues with the rest of the provinces in Canada that were so-called have-not. We were heading in that direction. Indeed, now I am very concerned that we are going to continue to have to have a heavy reliance on federal government revenue transfers to be able to keep this province operating. Again, I refer back to this chart on page 27 in the Manitoba budget, that in order for this to work this government is probably going to have to go back on bended knee to the federal government and ask for additional transfers to make everything balance off.

It really is just by putting in a few pieces of legislation that they think, oh, well, the markers have been called in by different groups, special interest groups, the union groups, and we have to pay them off. We are going to pay them off in this manner and life is going to go on. There are going to be no problems, and the province is still going to be a tremendously high-growth rate, et cetera. Well, I am concerned that is not going to happen. That is not going to happen.

You know, another area, my colleague for Russell spoke about it for a little bit, and that was the questions that we are asking about Schneider's. What is happening with Schneider's? There was this big announcement in January, and then nothing. Nothing has happened. We asked about when the Clean Environment Commission hearings are going to be held. Well, they are going to be held before the construction takes place. Well, tell us when the construction is going to start taking place. We are not getting any answers as to when the construction is taking place.

* (11:10)

There is a concern that Schneider's, albeit were interested in Manitoba 12 months ago, are showing a lack of interest in Manitoba today. I think it is due to the fact that they have seen a number of these pieces of legislation that have come forward from this government that are going to directly impact their ability to be able to process hogs and be competitive in the international marketplace. That is where we have to be competitive is in the international marketplace. If we cannot be, if we have the balance here out of whack in Manitoba where we are unable to be competitive, then what is going to happen is that Manitoba is not going to be the province of choice for these kinds of industry to take place. We have seen that happen in the beef cattle industry.

We used to have a number of major livestock processing plants here in St. Boniface for the beef cattle industry. Where are they now? They are all in Alberta. Alberta is the better environment for them to operate in, so all of our slaughter cattle from Manitoba are put on a truck and trucked out to Alberta for slaughter. They should be slaughtered here in Manitoba but they are not. We have the beef cattle industry now in this province growing at such a rate that right now there is some interest of investors in establishing a beef livestock processing plant. I hope that happens. I hope that they are not turned off as a result of the legislation that is being brought before this House right now.

Mr. Deputy Speaker, Maple Leaf is another example. I guess that the Premier, in response to a question, was talking about the fact that also

Schneider's was not locating because of a shortage of hogs. Well, Maple Leaf processing in Brandon is subjected to the same situation where they would like to be processing more hogs, but, you know, the processing plant has to be built prior to the hogs being produced because if the hogs are already being produced they are going somewhere else. So any processing plant that gets built after the hog-production numbers are there is going to have a great deal of difficulty capturing market share.

This is what is happening with Maple Leaf in Brandon is that there were thousands of hogs that are shipped regularly to the United States. These hogs should be processed here in Manitoba. When Maple Leaf made their announcement in Brandon, they made their announcement that they were going to be paying a premium for hogs processed at their plant in Brandon and that would, in itself, attract the hogs that were normally moving to the United States to move into the Brandon processing plant.

For the first few months, they operated without that premium. They have now, I understand, put that premium in place and are trying desperately to get these people who are shipping their hogs to the U.S. to change their minds and start shipping them to Brandon. I hope they are successful and that way they will get their hog numbers up in terms of processing.

Every new operation that is constructed now, they do have an ability to attract those hogs into the processing plant. If you go back and look at the Schneider's situation, if Schneider's are now starting to take a look at the possibility of other locations rather than Manitoba, then the hog industry in this province is going to end up levelling off. The so-called creation of thousands of jobs, and I have heard the number as high as 10 000 jobs in that industry, may not indeed happen. If that does not happen, the growth of Manitoba is going to start to level off. Hence, our revenues are going to start to tail off coming into the province and we are going to have a great deal of difficulty meeting our expenditure commitments.

This government has also put into baseline funding for so many program expenditures, the

increases. The increase in Health is now part of that baseline funding in the Department of Health. That is locked in there. Next year they have to find that much money plus more, and it goes on and on. So if those expenditures keep going up, escalating at a projected 2.8 percent a year, and the revenues start to decline and become less than expenditures, then there is going to be some problems keeping a balanced budget. I would say that this government has to be very careful about what kind of legislation it brings in. I do not think it was paying a great deal of attention to the long-term projections, being able to meet those in that budget with this kind of legislation.

You know, taking a look at Bill 44 in detail, I happen to be in receipt of a copy of a letter that was sent to the Premier (Mr. Doer) and to the Minister of Labour (Ms. Barrett). It was from the Canadian Council of Grocery Distributors. I would like to read a lot of the contents of this letter into the record, because I think it is valuable for the upper benchers on the Government side to know what kind of concerns there are in the business community, not just in the business coalition, not just in the National Citizens' Coalition or any other groups, but this is from the Canadian Council of Grocery Distributors, which is a national organization that represents all of the provinces in Canada. It is called the Canadian Council of Grocery Distributors. It is a national trade association of wholesale and retail grocers. The members of this association that are conducting business in the province are Canada Safeway, Federated Co-operatives, Sobey's Canada Inc., The Grocery People, Westfair Foods and Serca foods.

They are indicating also in this letter that they have over 900 grocery stores throughout the province in a sector that employs some 17 000 Manitobans. They say that grocery distributors spend on an annual basis about \$124 million on local goods and services needed to run their businesses. They are very concerned about Bill 44. They couch this in a paragraph here that says that the grocery industry is labour-intensive, service-oriented and very, very competitive. Today over half of the overhead costs in retail grocery operations are devoted to payroll and benefits. Therefore, labour issues are important

to grocery distributors. This is why they have a major concern with Bill 44.

They list some of the concerns that they have. This is what they have to say about the settlement of a collective agreement by the Labour Board or an arbitrator during a work stoppage, about that section of the Act, Mr. Deputy Speaker. It says: We anticipate that this provision will force parties apart and propel the industry to more strikes and lockouts. Management and labour used negotiations to strike a balance in union contracts. That is something that we, when we were in government, have always supported, that management and labour negotiate to strike a balance in their employment contracts. Then it goes on to say that this relationship will be negatively impacted if unions simply place their demands on the table, knowing that in 60 days the matter will be referred to arbitration. So really what it says is that there is no need to negotiate. All we do is put our demands on the table as a union and in 60 days we can go to arbitration-mediation and resolve the issue. So what will happen is that more of this will happen, as time goes on, because it does not take long for the union negotiating people to realize when they have a good thing on their side, and the balance is in their favour.

This letter goes on to say: Aside from the substantial costs associated with arbitration, the Canadian Council of Grocery Distributors believes that any arbitrator will not have the intimate understanding of the issues that are well known to the unions and management. This is likely to result in bad decisions and an erosion of the owners' abilities to manage their operations. Their request of the Government is that this section of the Bill should be withdrawn, and just allow management and union to strike a balance in union contracts.

* (11:20)

Then they go on. They refer to the reinstatement of employees following picket line violence. They talk about this section of the legislation. This letter says: This section tacitly implies that the Government will condone picket line violence. If this section remains in the new legislation, the Canadian Council of Grocery

Distributors predicts that there will be more violence and possibly more criminal activity during strikes. This will put our customers at risk, and place more pressure on police services.

I think that is something that none of us want to see, violence, and violence against innocent people, and to have the pressure put on our police services which are stretched to the maximum right now in trying to control the violence on picket lines.

The letter goes on, Mr. Deputy Speaker, and it says—and it is quite an interesting little comment that they make—it seems incongruent to the Canadian Council of Grocery Distributors that politicians must forfeit their seat if convicted of a criminal act, and that has happened. Yet it is a group of politicians in Manitoba that would allow criminals to return to work for an employer against whom they have perpetrated a crime. It is amazing. It is amazing that there be that kind of a differential in the way we review criminal activity. They say that we believe this provision in the Bill is dangerous and unnecessary.

You know, Mr. Deputy Speaker, I happened to be talking to a constituent in Morris who runs a lumber company and he had indicated to me, and he asked a question. He says: Well, why would people on a picket line be allowed to commit criminal acts? No. 1, they do not get charged, and No. 2, they have to be re-employed by the company. He said when he was trying to pick up steel from a company that was on strike and when he tried to cross the picket line, the people who were on the picket line—he was the innocent customer trying to pick up steel so that he had it for his customers—they took baseball bats to his vehicle and destroyed his windows, the body work, the headlights, what they could on his truck. He said you know, many of those people, in fact none of those people were charged with a criminal activity, because it was a standard issue for this to happen on picket lines if they did not want anybody to cross the picket line.

But the downside of this whole thing is that that particular retailer did not get his steel that day and never ever did get his steel from that company. He went elsewhere. That company

lost a half a million dollar annual sales of steel to this individual based on the kind of violence that this individual was confronted with on the picket line. So who wins in the end, Mr. Deputy Speaker? Certainly, the company lost the big revenue of not being able to ship steel to this retailer. But secondly, if that company had a number of other retailers that stopped doing business with them because of that, it impacts on the employees of that company. If they are not doing that much business, they do not require the employees. So it is a lose-lose situation. So any kind of picket line violence should not be tolerated, should not be condoned, and that piece of the legislation should be entirely withdrawn from this act.

The Canadian Council of Grocery Distributors go on in their letter and they refer to the elimination of the secret ballot and union certification, and they start out by saying this is simply undemocratic. Why is the Government, supported by the unions, objecting to a secret ballot? During the certification drive, unions and employees go through a two-step process. Employees who obtain a card then have time to consider the options and in a fair way move to the next step which is the secret ballot. Anyone who has had experience in this environment, including the academics that specialize in this field, recommend the secret ballot as the fairest way to allow workers to arrive at a decision. This process allows both the employer and the union to make their respective cases in a fair and balanced way while allowing the employee to make a decision through an unencumbered secret ballot. So the Canadian Council of Grocery Distributors urges the Minister to reconsider this section.

If we just follow that for a bit, Mr. Deputy Speaker, I happened to pick up some articles out of *The Winnipeg Sun* dated August 3. It references the Winnipeg labour lawyer, Sid Green, who had served seven years in the Cabinet under the former NDP premier, Ed Schreyer. He says that: "The NDP has done more to destroy and impair free collective bargaining than any other political stripe government in the history of Canada."

The very government that is to be supportive of unions and labour and what they would refer

to as the working people of this country, that is, the very group of people they are doing the most disservice to by thinking that they are heading in the right direction by bringing in this type of legislation—really, what it is doing is eroding their rights.

Then you get the opposite side of the spectrum here. There is another Winnipeg lawyer, Mel Myers, who takes the opposite position. He says: "Eliminating the need for a secret ballot vote, for example, is necessary because some employers try to intimidate employees when they get wind of a union certification drive."

Well, you know, that is probably true. But it is probably true of the union, too. There is a union certification drive going on. Who started it? It would be the union. So they are, obviously, on the opposite side of this coin, intimidating employees to sign up as a union.

Mr. Deputy Speaker, it is kind of interesting, because in 1996 the previous government, our government, brought in this legislation to try to strike a balance between labour and management, and in terms of union certification, going to the secret ballot vote. I think everybody would support that through the electoral process we should have a secret ballot vote.

What would it be like if, when you are running in your constituency, everybody just did a show of hands? Yes, we like the guy. Yes, he is in there. But then you have to do a count. Then the count is retaken. It is amazing how in some of these situations—I do not know if the Deputy Speaker has been involved in some community club meetings where the motion is put forward—everybody is asked to show hands, and there is a feeble attempt by maybe, maybe half the people there. But then the count is taken, and you say: gosh, there are a lot of people that did not vote. So the chairman says: Well, I want to see the hands again. So then, all of a sudden, it is overwhelmingly carried.

How would we like to go through the electoral process trying to be represented as MLAs through the same thing as what this legislation is doing for union certification? Trying to create a balance between management

and labour, if labour chooses to be a part of a union, fine. That is their choice.

* (11:30)

I think management should have the right to explain to the employees perhaps some of the downside risks of union certification. At the same time, the union has the right to tell the employees about some of the upsides of union certification. But every employee should have that ability to make that decision on their own after they have a chance to discuss it with either their parents or with their spouses so that, in terms of that decision, they have a chance to talk about it.

But, when you are coerced, what this legislation is doing now is taking it to the point and saying that the union certification—or the people who are employed by the union to form unions when they see that union certification is to take place will have that ability to be able to intimidate the employees into signing the card to try to get their 65 percent.

You could argue too, that 65 percent is probably on the high side. But, if you had a secret ballot vote, you could make it 50 percent plus 1, Mr. Deputy Speaker, as simple as that. But in the way this is being structured, it is being structured in a way that is just, to me, not a fair way of doing it.

You know, Mr. Deputy Speaker, I happened to be talking to a businessman from Carnan who had been working in the retail business as an employee in the northwest corner of the province and there was a movement afoot for the company's employees to form an employees' association. Well, the union got wind of the fact that there was going to be an employees' association, at least they were talking about it, so the union organizers went out to the northwest corner of the province to try to get the employees who were working for that company to be a member of the union. Now this is back probably 20 years ago, so well before we introduced legislation in '96. So what happened, Mr. Deputy Speaker, is that the union organizers were so aggressive in trying to get this union into this retail establishment that anybody who was pushing for the employees' association was

actually confronted individually, on the street, beaten, hit, attacked. The other employees who they thought should be signing the cards were taken out with a bottle of booze and given that until they were feeling happy as anything and then asked to sign the union card. That is how unions get certified when there is not a secret ballot vote.

And sure the argument is made on the other side of employers using the same tactics, but the legislation that we introduced in 1996 was a balance between the two that allowed that whatever the employer said to the employee, the employee cast a secret ballot vote. The employer did not know about it. I am going to try and summarize things very quickly and say that this piece of legislation has got to have some major amendments in it or withdrawn in its entirety and reconstructed. So I ask the Government to please take a look at that in terms of making some major amendments to this legislation. Thank you.

Mr. Jack Reimer (Southdale): Mr. Deputy Speaker, it gives me pleasure to put a few words on the record in regard to Bill 44 that has been proposed by the Government.

I guess, when you look at the direction that new governments take in their initial mandate, in their initial legislative package, their first budget, their first Throne Speech, their first series of legislation that they bring forth, you sort of get an indication or a tone or a direction that maybe government is going. I must say that when the new government was elected, they ran on a campaign of the new NDP. I believe they called themselves Today's NDP. They talked about implementing programs that they felt were of benefit and of strategic nature for Manitoba. In fact, the Premier-elect even mentioned that a lot of the legislation that we had passed was good legislation and he felt that they would build upon that legislation, and that type of direction that we took the province during our 11 years of tenure here in the province of Manitoba. And even the Health Minister, I remember the Health Minister commenting that 90 percent of the initiatives are good initiatives and what has to be changed was possibly maybe about 10 percent to make the health care in a better position here in Manitoba.

Mr. Deputy Speaker, there was a sense that, well, you know, maybe this new government is going to take a direction that is similar to or of the same nature that the previous government had taken, where the economy of Manitoba became one of the strongest in Canada. The unemployment rate went down to the lowest in Canada. Investment and capital expenditures growth expansion was at an all-time high in this province. The revenues that were experienced by the Treasury were at an all-time high and growing.

There was an optimism that Manitoba, indeed, had turned the corner—if you want to call it. Manitoba was now a province where there was an optimism and an enthusiasm of growth. Companies were excited about expansion. Some major new companies have announced expansions here in Manitoba in the hog producing business, in the trucking area, in the furniture manufacturing, a huge expansion with that. The after-market and the diversification in agriculture is taking on all-time highs in Manitoba.

So our economy has benefited a tremendous amount because of what you might call a steady progressive growth of diversification and knowledge and common-sense approach to business by government, in a sense, letting the economy have its way of expansion and the ability to grow, to encourage growth, to attract new investments, to offer the opportunities for young people to stay in Manitoba. In fact, I believe it has only been in the last couple of years where there has been a turnaround in the amount of people who have come to Manitoba instead of leaving Manitoba.

So Manitoba, Mr. Deputy Speaker, I believe, was or still is in a very strong positive mode of growth and optimism, and that mainly was because of the attitude of the relationship between business and their employees, business and government, management and government, and the attitude that we are trying to build a better place not only for today but for tomorrow. Those things take a lot of time to build. It is a building process and a confidence building that business has to establish for expansion.

Because of the mobility of business right now, it is not uncommon where we see, especially in the high-tech industry, where you can see industry move on, more or less, a whim at times because of the fact that the instant availability of communication and the availability of the transference of jobs can be overnight. So business, in a sense, even though Manitoba is strong, there is a fragile nature to it that unless they are competitive, unless they are able to compete, unless they are able to attract people to stay and to work here in Manitoba. The availability of choice in other parts of Canada and in the United States is very, very demanding on business to take into account when they start to look at the expenditures of their dollar and the ability to pay their employees and to attract good people.

So there is a certain balance that has to be brought into the context of how the relationship between our government and business operates, how business operates with their employees. I think we are seeing more and more that the successful businesses that are expanding and growing in Manitoba are businesses that recognize the value of their employees and the tremendous asset that they have in their human capital in their companies. It is not uncommon now to see companies that hire good people and pay good wages, and that is what is making these companies expand. It is that type of attitude here in Manitoba; we are fortunate we have a lot of businesses that have these types of growth potential and the stability to grow here in Manitoba.

* (11:40)

So, Mr. Deputy Speaker, we are talking about a lot of variables that have to come into play to build the momentum of what has built up here in Manitoba over the last 10 years, and that took a lot of time and a lot of patience and a lot of working with the various factors to make this thing happen. So we are, in essence, benefiting tremendously from a lot of plans and decisions that were put into place years and years ago, but mainly what it was was the attitude of working relationships between the various levels and the various decision makers in this province and in the various business communities. That confidence is something that you build a very, very

strong economy on, and especially a strong economy here in Manitoba or Winnipeg. So we have been very fortunate that over the last while we have had that type of environment here in Manitoba and we have been able to capitalize on it.

As I mentioned earlier, we have seen some very strong growth in a lot of sectors here in Manitoba, and mainly it is because of the ingenuity and the ability of people to diversify themselves into various other avenues to make money. They have diversified in the agricultural industry. We have a diversified industry here in Manitoba with a lot of sectors. We are very, very fortunate in our location for transportation, and, in fact, at one time I believe I may have referred to the fact that eight of the largest companies in Canada are headquartered in Manitoba. I learned, actually I learned this morning, actually it is ten companies that are located here in Manitoba that are the largest in Canada. That industry alone accounts for, I was told this morning, \$800-million worth of revenue generated here in Manitoba. That type of industry and that type of growth are a long time coming here in Manitoba, but at the same time it can move very, very rapidly because of the competitive nature that all provinces and all areas and, in fact, all economic units. Even the cities are trying to attract people back to their areas. So we have to make sure that, when we deal with large industries and are in contact with them, the environment is one of competitiveness.

Mr. Speaker in the Chair

The Bill that the Government is bringing in now, Mr. Speaker, is a bill that is going to tilt that balance. I know the Government over there, the Premier and the ministers, seem to always use this theory of balance. They are listening to people to bring into balance. In fact, the Labour Minister herself has referred to this bill bringing back balance to the relationships between employers and employees here in Manitoba.

Mr. Speaker, I would think that, if our economy did not show the positive signs that have been initiated over the last ten years and if there were a noticeable difference between employees and employers, or the opportunities, or the situations that management and labour get

themselves into, and there have been confrontations, and there has been a tremendous amount of strikes or lockouts and things like that, then you could say: Well, there is need for improvement in the labour economy or the labour environment here in Manitoba.

Mr. Speaker, that is a long way from the truth here in Manitoba. Nothing has happened over the last four, five years, even ten years, where we can say that there has been this great upsurge or this great swell of discontent within the management and the employees' relationships that warrants this type of action or new legislation that is being proposed by the Minister of Labour (Ms. Barrett), Bill 44. What we are seeing here is strictly a payback, a payback by this government to interest groups that have put pressure on this government, this Premier and this cabinet, to make changes for the benefit of some union bosses that feel that it is time to tilt the windmill back in a direction that goes back to the old Howard Pawley days.

Mr. Speaker, we have seen what that had brought us to back in the '80s under the Howard Pawley and the Ed Schreyer years, where there was an imbalance. There was a sense of frustration. There was a sense of imbalance in regard to the relationships of government and labour, government and business. That is not a healthy environment. Not only that, Mr. Speaker, in today's environment, in the economy and the society that we are living in now where the instantaneous ability of decision making can be made throughout the world in a matter of a moment, through computers and through communications and telecommunications and all that.

These decisions that may affect a lot of things that may happen in Manitoba because of our perception that there is a change of attitudes would have a tremendous effect on a lot of businesses here in Manitoba. We have seen that already with talking to the Canadian Federation of Independent Businesses. Since this bill has been introduced, they have literally got hundreds and hundreds. I believe the president was saying. I am not too sure exactly, but I thought he said he had had over 800 faxes back in regard to this bill, where small businesses here in Manitoba are objecting vehemently to the fact that this bill

is being even brought forward. A lot of the comments from the CFIB members reflect that they have a worry, they have a concern as to what the direction is going with this government. They feel that it is totally unacceptable. Some of the clauses, especially the clause of taking away the right of employees to vote, to have the secret ballot vote, in regard to union certification.

Some of the members opposite have said, well, other provinces have that. They have an automatic certification after 65 percent. Manitoba is in competition for jobs with two of the strongest economies in Canada, which is Alberta and Ontario. My understanding is that they do have secret ballot legislation in there. That is whom we have to be concerned about, not a 65 percent sign up certification like Prince Edward Island has or one of the smaller provinces like Newfoundland. We are competing on the high end of quality jobs, which is in direct competition to a lot of the industries that are being courted by Ontario, Alberta, to a degree in Alberta and western Canada. We have to be competitive. We have to show that we are open to have these businesses come back here to Manitoba or to relocate to Manitoba. Head offices will be very knowledgeable and watchful of this type of legislation. It will not take long for a head office to realize that the mobility of jobs, the mobility of positions can be fulfilled whether they are looking at Ontario or Alberta or maybe even down into the United States just below us, into North Dakota, where they can still manage and direct their businesses, but the head office and the decision making is taken out of this province, and with that goes a lot of the wages and a lot of the benefits that accumulate back to the taxpayers of Manitoba.

If the Government is not going to have a strong economy, 80 percent of the business here in Manitoba is by small business, and if small business does not have that sense of confidence that they can expand or they can bring in new people or attract new people or new qualified people, and which are very good-paying jobs, they will look at a different direction or a different attitude of where they want to go.

* (11:50)

I just want to quote a few comments made by the CFIB members in regard to what they are

telling the membership of CFIB, and I will quote here: "As much as I am concerned with the contents of the proposed legislation, I am not concerned with the message, that I am more concerned with the message that it conveys to existing investors and potential investors in the province. Like it or not, we are competing with each other for investment dollars. If our playing field is tilted too much in one direction, these investment dollars will leave and/or look elsewhere to find a more level playing field. Manitoba has been heading in the right direction, finally, over the last two years. Leave well enough alone." This is from a Manitoba insurance company.

There are many more quotes and quotations here from businesses throughout all of Manitoba. There is a plumbing company, a construction company, seeding company, the railway, the livestock producers, an engineering firm, a construction-related company, drugstores, engineering, airline industries, agricultural supplies, agricultural company, a clothing company. Manitoba has a huge clothing manufacturing company. In fact, I believe we are the second largest in Canada after Montreal. That business there, which relies tremendously on competitiveness and the fact that they are in competition with clothing manufacturers throughout the world, is a very fragile and a very mobile industry. These are the types of people that when they look at this type of legislation that is proposed, there is cause for concern.

Business does not like to operate in an environment of concern or uncertainty. This brings in a degree of uncertainty into decision making whenever there is talk of expansion or growth or even continuation of operations here in this province because the balance that the Minister of Labour (Ms. Barrett) has mentioned is a balance that is tilting now. It is not a balance in a sense that it is conducive to strong decision making that business will pursue.

So, Mr. Speaker, I think this government has to be very careful in the message that they are starting to convey because in their first mandate they are showing that not only are they ill prepared but they are working in a direction that is contrary to what they were elected with. The old idea that they campaigned on the right and

they are governing from the left is exactly what is happening. They have come forth with various legislative packages, whether it is this labour bill or the education bill that was brought forth by the Minister of Education (Mr. Caldwell).

We saw yesterday—talk about stick handling. I know the Member for La Verendrye (Mr. Lemieux) used to be a hockey player, but I think he is teaching all his skills to all his cabinet colleagues in how to stick-handle because of what was happening with the Minister of Education yesterday. He is making a slapshot, but he is not wearing his jock. I think that is what happened to the Minister of Education yesterday. But anyway, I digress. I am sorry, Mr. Speaker. In fact, I think the Minister of Education did play some hockey too.

But these are the types of things that we are seeing happening with this government. They talk one way and walk another. That can only go on for so long when the people will see through it. The people will see through the transparency of decision making and the appearances of listening to the public. There are certain catch phrases that are coming from the Government side that you can predict now. Consultation is a good phrase. Consultation we are hearing more and more from the Government. We have to consult with people. We want to consult, we want to listen to the people, but we are still going to do what we want. We are still going to do what we discussed in cabinet because that is just the way we are, because we are government, we have been elected. We have seen this great arrogance that is starting to exude across the House here from some of the ministers in their attitude and their answers to Question Period.

It is good for us. We love that. It is good for us. It just shows how it is settling in within not even a year. In fact, I guess if you look at the date today, we are almost a year away from when the election was called. And within that time period, we have seen this government take on the role of arrogance that has started to be very noticeable, not only by this side of the House but I believe by a lot of people on the street and especially some of the media.

But I digress to a degree by saying that yesterday we saw how the Minister of Education

(Mr. Caldwell) who used the word "consultation," and we will listen to the people for amendments, and that he was willing to—In fact, I believe on the steps of the Legislature he said he would incorporate the amendments that were suggested by the home schoolers for Bill 12, I think it was. Then when we got in the House here and we introduced the bills, they adjourned them, the same amendments that were brought forth in second reading at the committee stage. So, I mean, the double standard and the double speak is coming back and forth from the other side of the House.

But those are some of the things that we as opposition recognize. We love to see that type of arrogance. We love to see the members feel that they are government. We are elected to government.

I remember one of the first comments made by the Minister of Education. Well, we won the election. Jeepers, we can do what we want. We won the election. That is okay. Just as I mentioned, the election was called almost a year ago. We have only got another three years to go, and we will be going to the polls again.

Going back to Bill 44, Mr. Speaker, what is happening is the tone, the direction and the idea of what this government stands for is starting to bubble up to the top. It is a government that is formed on the opinions and the direction of special interest groups. Special interest groups are the ones that are taking over the direction of that.

I feel that maybe a lot of the members on that side are going to feel that they are being overwhelmed. They are not in a position. Their decision making, their contributions to their cabinet, their contributions to their caucus are going to be diminished because it will be dictated from the office of 200 here in this building. The Cabinet and the backbenchers will have very, very little say in this stuff.

It will all come from the top down. They are there because of the numbers, and, granted, they

have a majority. So the bills and the amendments and the legislative package that they brought forth, they can ram it through. We can talk on it. We can bring forth amendments. We can ask for changes, but, Mr. Speaker, they are the Government. They have the majority, and they can do that.

I think that what is happening is the direction they are taking is being controlled by very, very few people. They have put people in the position of decision making that were a part of the old Howard Pawley years. When you look at Mr. Kostyra who is now head of the Economic Development Department for that government, I am sure that every piece of legislation went through his office or for his handling or some sort of input. I am sure he had more of a say in the decision making than a lot of the backbenchers.

That is unfortunate, Mr. Speaker, because that brings the flavour of decision making away from the elected individuals that were there to make decisions, and now they are just there to rubber-stamp or to apply the Government's decision as to this legislative package.

So I think that the interest groups are the ones that are going to be taking control of this government. They are going to be the ones that will dictate what type of legislative packages will be brought forth. They are the people that are going to put pressure on this government that in all likelihood we will see that some of the legislative packages and the amendments and laws that are brought forth are going to be skewed.

Mr. Speaker: Order.

When this matter is again before the House, the Honourable Member for Southdale (Mr. Reimer) will have 15 minutes remaining.

The hour being 12 noon, I am leaving the Chair with the understanding that the House will reconvene at 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, August 10, 2000

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