

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON INDUSTRIAL RELATIONS

Tuesday, 9 July, 1985

TIME - 8:00 p.m.

LOCATION — Winnipeg, Manitoba

CHAIRMAN — Ms. M. Phillips

ATTENDANCE — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Anstett, Cowan, Harapiak, Mackling

Messrs. Ashton, Banman, Enns, Mrs. Hammond, Mr. Johnston, Ms. Phillips and Mr. Scott

WITNESSES: Mr. Abe Arnold - Manitoba Association for Rights and Liberties

Mr. Gerry Doucet - Retail Council of Canada

Ms. Deborah Carlson - Manitoba Association of Women and The Law

Mr. Sidney Green - Manitoba Progressive Party

Ms. Donna Lucas - Charter of Rights Coalition

Mr. Gary Doer - Manitoba Government Employees' Association

Ms. Susan Hart - Equal Pay Coalition of Manitoba

Mr. Murray Smith - private citizen

Ms. Darlene Hildebrand, Ed Martens and Jonas Dubas - Winnipeg Chamber of Commerce

Ms. Darlene Dziewit - Manitoba Federation of Labour

Mr. Herb Schulz - private citizen

MATTERS UNDER DISCUSSION:

Bill No. 53 - The Pay Equity Act; Loi sur l'égalité des salaires.

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MADAM CHAIRMAN: The time being 8 o'clock, I'll call the committee to order.

We are considering Bill No. 53, The Pay Equity Act, and we'll begin with presentations.

The first delegation to make a presentation is Mr. Abe Arnold on behalf of the Manitoba Association of Rights and Liberties.

MR. A. ARNOLD: Thank you, Madam Chairperson.

The Manitoba Association for Rights and Liberties, I think we're marking today the seventh anniversary of our first presentation before a legislative committee, so we have been here quite often.

I want to say that we are a bit concerned about the procedure and the fact that - well, this happened in

this morning's session particularly - there is sort of a desire on the part of some members to hear people from out of town first. I think that is a reasonable desire, except that it would help if the Clerk's office would find out who was here from out of town and put them up at the top of the list to begin with so that people don't come expecting that they are going to be at the top of the list and then they have to sit all morning waiting for dozens of other people to be heard.

I would respectfully recommend to the Chair, and through the Chair to the members of the Legislature, that something ought to be changed to accommodate people in a better way in the future.

Now, with regard to this particular brief on The Pay Equity Act, we have reviewed this bill and wish to express our concerns as follows:

As a civil liberties organization MARL is committed to the elimination of discriminatory practices; therefore, we want to congratulate the government on its introduction of this progressive legislation. We approve of the bill, in principle, however there is one area which causes us some concern.

Our concern is that the legislation does not extend, even minimally, to the private sector. We recognize the difficulty that a government faces in introducing pay equity into the private sector. Although the Winnipeg Chamber of Commerce has stated, according to our understanding, its general agreement with the principle of pay equity and, although the proposed legislation would not apply to the private sector, the Chamber has apparently taken a stand against the implementation of the pay equity principle as outlined in Bill 53.

Recently an American professor forcefully spoke to the Chamber of Commerce against pay equity. In at least one instance his argument was weak, or based on insufficient understanding of Manitoba laws. He suggested that the enforcement of Manitoba's anti-discrimination laws - and I heard him on the radio - would be sufficient to cover the matter of pay inequity. In Manitoba's Human Rights Act, pay equity is not included as a grounds for discrimination. The Human Rights Act does bar discrimination on the grounds of sexual discrimination. If someone made a pay equity complaint to the Human Rights Commission on the grounds of sex discrimination, the present Bill 53 could well open the door to such a complaint. There is a widely held view, however, that the individual complaint process is insufficient to deal with such issues as pay equity or affirmative action in employment.

A pay equity proposal is included in the proposed revised Human Rights Code which is not, however, being introduced at this Session. MARL and other organizations, and presumably the government, agreed that the implementation of equal pay for work of equal value would be more appropriately introduced as labour legislation, and the government has followed this course by introducing Bill 53.

We would, therefore, suggest as a first step towards full pay equity, that the provisions of the act should be

extended to companies who are being awarded large government contracts. A large company, bidding for a government contract, should indicate to the government what commitment it has made or is prepared to make to the principle of pay equity. We, therefore, recommend that the act should specifically set contract compliance guidelines for government contractors.

In conclusion, we would like to reiterate our belief in the need for this legislation and express our appreciation to the government for its action in bringing this bill forward. We believe that this does set a precedent, and it's important in regard to extending equal rights to all the women of our community.

I should tell you that this bill was prepared by members of our Legislative Review Committee including David Matas, Diane De Graves and Sybil Shack, assisted by myself and by Lisa Caldwell.

Thank you.

MADAM CHAIRMAN: Thank you Mr. Arnold.

Are there any questions for Mr. Arnold? Seeing none, thank you very much.

The next delegation is Mr. Jerry Doucet, Retail Council of Canada.

MR. J. DOUCET: Thank you, Madam Chairperson.

Members of the committee, ladies and gentlemen, I am delighted to be here on behalf of the Retail Council of Canada to address Bill 53, The Pay Equity Act. I have with me a number of people from the retail community in Manitoba. I won't go through their names right now, but they represent a cross-section of employers in the retail field who actively participate in the Manitoba economy. In answer to a question from my good friend, Mary Eadie, as I came in, why would we be here to talk about a bill that deals with the public sector, I simply want to say that, as a major employer in Manitoba, as an association that represents 70 percent of employment of retail sales by volume in Manitoba but, above all, as a major employer of women and part-time employees, we are very concerned and very interested in any legislation that any government in Canada brings in in this field and that applies to the subject of pay equity.

We have been very heavily involved at the federal level in helping the Federal Government devise its employment equity legislation that was just recently brought in. We have participated in other provinces in helping them come up with legislation that is workable in the public sector, even though that doesn't impinge on us directly, and we're delighted to see that. But as a model for private sector activity, it would concern us if that type of legislation for the public sector were ill-designed or were unrealistic.

So we have some specific comments to make. I have distributed a short brief to you. My comments are going to add to that brief, which was prepared in the shortness of time in the last couple of days and does not cover all the points I am about to make.

Of course, we recognize the effort that has been made to exclude the private sector from the design of this particular bill. We can see, from the previous speaker's remarks and from remarks that have been made elsewhere, that it is a very easy extension of this

legislation for the public sector to include the private sector. We are somewhat worried about the design of the specific bill from that perspective. There is always the danger that it can be extended or could be used as a model for the private sector.

One of our main themes is that, whatever you learn about the application or workings of this particular legislation in the public sector, it is not easy or even realistic to apply holus-bolus those lessons to the private sector and to expect the private sector, which operates under slightly different sets of guidelines and objectives, to follow the same sort of norms.

I think that, if the bill is not meant to apply to the private sector, all references to the private sector in the bill should be excluded. Then we would have the confidence and be able to rely fully on the remarks of the Minister when he introduced the legislation that he is prepared to see the private sector continue with its numerous ad hoc efforts to implement forms of pay equity and employment equity in Manitoba and across the country, designed to reduce the income gap that does exist between women and men in the workplace.

I have people here this evening, as I said earlier, who can attest to the fact of their own affirmative action programs, if you like. They may not call them that, but that have produced in the retail food sector in Manitoba, for example, roughly 20 percent of the store managers in our particular association's membership are now women; which produce such results as roughly 50 percent of the executive complement of a very major retailer in Manitoba and working in all parts of Canada in its division headquarters here being women; and which show results in some of our other retail stores such as drugstores that, when women break out of the stereotyping and the traditional forms of education that have been pursued in the past and when they have the opportunity to work the same number of hours or close to the same number of hours as men in the workplace, they achieve management positions; they make progress.

One example is, for example, that pharmacy graduates in Canada, women outnumber men now. We are seeing women moving into the management positions of franchise and chain operations in the drugstore business at the management level, and that's a very good result. We see other examples in the retail merchandising field, the same sort of positive results of the marketplace working as it should.

I would be remiss though, Madam Chairperson, if I did not say that we find the legislation as drafted insufficient in terms of its emphasis in working on the gap that exists in the income levels between women and men. We can point to the Economic Council of Canada's recent study on the Changing Status of Women, which was produced just at the end of 1984. We can point to Judge Rosalie Abella's recent Royal Commission Report on Employment Equity to show that equal pay for work of equal value as a concept, whether it's workable or not - and who can disagree with the principle? The issue is, is it workable. Will it achieve the objectives? - in fact will not impact on the income gap that does exist between women and men as much as some people claim it might.

I am not going to quibble with what percentage of the gap it will close, but it's our firm belief that, unless we emphasize education programs in the schools at

the levels of Grades 7 and 8 and so on to break down the attitudes of boys and girls about the types of work that women and men can pursue in our society, the gap will remain as large as it is now. We will not make the progress that we want to make.

So we very heavily endorse the effort in Manitoba to develop open-door type programs; to have those women and retailers co-operate in such programs in other provinces; to have women who studied non-traditional forms of education; and to have women who are now in non-traditional jobs go into the schools to explain to students how they have achieved this, to go into the schools to explain what is possible. It is based on a very interesting survey that was done several years ago in Ontario where young boys were asked what they wanted to do and they said the usual stereotype things, and the girls said the usual stereotype things plus school bus drivers. That indicated that, if they were exposed to the opportunities and the types of work that women can achieve in the workplace, they will seek out those types of work and, over time, the income gap will close.

Secondly, what I would like to mention is the major finding of the Abella Commission and the Economic Council, that the hours worked by women in our society are declining more rapidly than the hours worked by men. Of course, in the case of women, the hours worked have always been less than the hours worked by men in absolute terms. Obviously, one of the major explanations of this is the problem of childbearing and, of course, child rearing and the inequality of the sharing of that burden between men and women.

We, in the Retail Council of Canada, are working on pilot projects in a number of areas designed to promote the concept of workplace child care which will, we hope, contribute in a real way to the closing of this income gap that does exist. We do not think the issue or the concept of equal pay for work of equal value will achieve this particular goal.

Finally, I would like to just refer to the Minister's speech when he introduced the bill. I was delighted that he referred to the Minnesota experience, not because I am particularly knowledgeable about the Minnesota experience, I'll leave others to comment on it, but it is ironic that he refers to experience in other countries, and in particular to the State of Minnesota, when just this year the United States Commission on Civil Rights on April 11, 1985 published a study and release recommending that federal civil rights enforcement agencies and Congress reject the concept of comparable worth in that country because of the misleading expectations that the concept produces in terms of the income gap that exists between women and men. Does it, is it explained by this problem of equal pay for work of equal value or comparable worth? The answer is no, according to them.

Secondly, because they argue that the concept of composite job evaluations for all sectors of the economy, across all types of work - and here I particularly think of the nightmare of small business - because the concept of job evaluations applied across sectors can't work and because the concept of composite evaluations where you have a value judgment or a subjective judgment of skill, level of responsibility, effort, and conditions of work which leads to some public figure or some bureaucratic figure to judge among jobs, they have rejected the concept. I don't

know if that will have any particular impact on Minnesota and I don't know whether Minnesota's costs of introducing the concept can be laid at the feet of a roughly 4 percent change. I suspect they can't. We are particularly concerned that that particular model would lead to the type of legislation we have here in the province.

I am prepared, Madam Chairperson, to answer any specific questions you might have on the brief or to get into some of the more detailed concerns we have about the job evaluation system that you foresee in the public sector, because we, and the people who are here with me, have had a lot of experience with job evaluation systems here in Manitoba in the private sector and we have some serious misgivings about whether they are workable.

Thank you very much.

MADAM CHAIRMAN: Thank you, Mr. Doucet. Are there any questions from the committee? Seeing none, thank you very much for your presentation.

Miss Deborah Carlson, Co-Chairperson, Manitoba Association of Women and the Law.

MS. D. CARLSON: Thank you, Madam Chairperson.

MADAM CHAIRMAN: Do you have a written brief to distribute?

MS. D. CARLSON: Yes, I do. Shall I begin?

MADAM CHAIRMAN: Okay, proceed, yes.

MS. D. CARLSON: The Manitoba Association of Women and the Law is one of the member caucuses of the National Association of Women and the Law. As it's a national association, the purpose of Women and the Law is to promote women's rights to sexual equality through investigation, research and lobbying on legal issues affecting Manitoba women. The views in this brief are expressed solely on behalf of the Manitoba Association of Women and the Law.

We would like to thank the members of this committee for the opportunity to express our views on Bill 53, The Pay Equity Act.

We applaud the efforts of the government to establish a pay equity system and, hopefully, to alleviate some of the problems that exist with the gap in the earnings between male and female traditional occupational groupings. However, we have very grave doubts that the proposed legislation will have any effect like that and whether it will in fact significantly reduce the wage gap.

It is MAWL's position that the proposed pay equity regime should provide for equal pay for work of equal value that extends to the private, as well as to the public sector, and to all sizes and classes of employers. We must, therefore, protest the narrow scope of the present bill. It doesn't purport at all to deal with the private sector except for in terms of education and providing information. In addition, significant portions of the public sector are exempted.

For example, there is a list of external agencies that are listed: the health care facilities that are an Appendix in the back. Only the larger health care facilities are

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listed; many rural facilities are not on that list, which means that any women in rural health care facilities will not have the benefit of the pay equity regime. We feel that that is a significant exception and should be remedied.

We advocate that the present bill should be revised to extend pay equity to the private sector and, as well, to change the definition of external agencies so that school boards, municipalities and local government districts should be included, as well as all health care facilities.

I propose to restrict my comments just to the bill itself and not to the larger issue of women's problems, unemployment and other appropriate remedies such as affirmative action, the problems of day care and so on. That being so, I will go through the bill and the problems that we have found with it.

One problem is the way that a gender-dominated class has been defined in the bill. Before a class will be considered to be gender-dominated there must be 10 persons in the class and that class must be either 70 percent male or 70 percent female. We are concerned that these two components of the definition will further limit the number of women who would be able to feel the effect of a pay equity system. We, therefore, recommend that the percentage of male and female employees necessary to constitute a gender-dominated class be reduced to 60 percent. Now, I understand that there are provisions in the bill for where an employer is less than 500, that the classes may be dealt with by a regulation and there are also provisions that the classes may be dealt with by negotiations with the bargaining agents. However, we feel that as with regulations, regulation may or may not be made. Similarly, bargaining agents and the whole union process; it's a variable process and there are no guarantees that the women involved will receive adequate protection.

Another potential problem related to the composition of the classes, is that under sections 9 and 14 of the proposed bill, the classes are not required to be fixed until June 30, 1986 for the Civil Service, and June 30, 1987, for Crown entities and external entities. We feel that this delay until the classes are required to be fixed, creates a potential for abuse. I don't know if it's likely to happen but there is that potential. We therefore recommend that the date of the fixing of the classes should be as of the date that the bill comes into force.

It is MAWL's position that a separate entity should be created to administer a pay equity regime. We therefore support the creation of a Pay Equity Bureau. However, we also believe that such an agency should have powers to investigate, to lay complaints, to refer matters to arbitration. The powers given under the present bill to provide information, to monitor the progress of pay equity and so on, are far too limited. MARL recommends that the power of the Pay Equity Bureau be enlarged to include the policing powers that I've just mentioned. Without those things, the bureau would have no teeth and would have very little effect.

We strongly endorse the decision of the government to use a proactive approach in pay equity legislation. In our view, it is desirable that it should be the employer who has to show that it is following the pay equity system, rather than leaving the onus on the individual employee to lay a complaint.

We also support the inclusion of unions in the implementation of pay equity. Unfortunately, it would be naive to believe that women's interests are always best protected by their unions. For this reason, we believe that the role of unions should be limited to negotiating how pay equity will best be implemented. Unions should not be able to negotiate what constitutes pay equity and they should not be able to negotiate wage adjustments that are less than would implement pay equity.

We therefore recommend that section 8(1) which requires the government to take the action necessary to implement pay equity, be revised so that it is not subject to section 8(2) and so that it is not subject to negotiation between bargaining agents and employers.

In respect of the determination of value under the proposed section 6(1), it's our opinion that, while section 6(1) is okay as a general statement of how work should be valued, it isn't specific enough. We feel that there are enough problems with subjective bias in determining how much women's work should be valued. Therefore, the more detailed the system that is used to define the value of work, the more accurate the measurement will be. We would therefore advocate that a detailed system such as the Aiken plan in Minnesota should be included within section 6 to provide those measuring steps.

With respect to section 6(2), it is our position that the comparison of rates of pay between male and female classes should be on the basis of the actual pay of each class, or on the basis of the average pay of each class. I don't think it is very accurate to measure the average pay of one class to the actual pay of the other class. I'm not quite sure what the intent of section 2 is. It is not very clear to me.

We strongly protest the limitations that are placed on wage adjustments under the proposed section 7(3). Four years is too long a time span to phase in the wage increases especially in view of the fact of the time span that is being used to implement the whole system as it is. Under the proposed bill, Crown entities and external entities have until 1988 to reach an agreement for the implementation of those wages. After that, women working for those entities have to wait another four years. The effect is that they have to wait until 1992 to get pay equity. We feel that is far too long - that's nine years.

We also object to the provisions in section 7(3) that limit the adjustments to a total of 4 percent - 1 percent a year over four years. The effect of this is that if the pay equity is such, the pay inequity is such that a 4 percent in payroll is not adequate to address the imbalance. That imbalance will be allowed to persist. The employer is not required to adjust the inequity more than 4 percent. We therefore advocate that section 7 be revised to remove those limitations.

One final complaint - suggestion - is that for pay equity to be effectively enforced, it requires separate boards. We do not feel that the provisions under the bill of having it go to arbitration under the Civil Service or going to the Labour Board will be effective in enforcing pay equity. There are many problems with that, especially with the Labour Board, the major one being the delay. The Labour Board is already very busy and we feel that, especially given the delays in other parts of the bill, disputes that are going before the Labour Board, any parties who are affected by the

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dispute will have to wait even longer. We feel that pay equity is important enough that it should have its own board - a tripartite board to adjudicate disputes.

We also feel that with a separate pay equity board, we'd be able to get people who have enough expertise in the area of pay equity to adjudicate the disputes.

One final plea is for adequate funding. Pay equity is a very fine concept, but just like any other program that is instituted by government, if you don't give it the money that is necessary, it will accomplish nothing.

Those are all the comments I have on Bill 53. I'll be happy to answer any questions.

MADAM CHAIRMAN: Thank you, Ms. Carlson.

Are there any questions?

Mr. Banman.

MR. R. BANMAN: Thank you.

I have one question. You mention in your brief that the union should not be able to negotiate what constitutes pay equity for their members. In this particular bill, the major union that will be doing the negotiations is the Manitoba Government Employees' Association. I wonder if you could tell us how you feel it should be handled rather than through the MGEA.

MS. D. CARLSON: Well, I feel that pay equity is a concept and as such - how can I explain this? - unions should be able to negotiate how it could be implemented, but not what pay equity is itself. Pay equity is a concept that people who are doing work of equal value should receive that. I don't think it should be subject to the collective bargaining process where that particular item could be sacrificed for other positions that the union is taking. In a particular union where women do not have very much power, their rights could be sacrificed to the rights of other members in the union.

Does that clarify?

MR. R. BANMAN: I guess this is one of the difficulties we all have with the bill. While in principle we all agree with it, the difficulties in implementing this type of legislation as the gentleman just before you spoke and indicated, is that it becomes something that we all have to wrestle with to see if it is workable or not.

The question - and I know there is no easy answer, and you've tried to answer it, but if you don't use the MGEA, what system within government when you're dealing with the union that is now representing all the employees who I would believe is concerned about the welfare and well-being of all their employees who belong to their union . . .

MS. D. CARLSON: Presumably, but not necessarily. That's the case that we have to guard against.

MR. R. BANMAN: Not necessarily. This is the difficulty we, as members of the Legislature, find ourselves in in dealing with this type of legislation. In concept, it is something that I think we can all support. It is a matter of how you implement it and what the pitfalls are that we see. You indicate that one of the pitfalls that you feel could cause some problems in implementing it is that a union would not necessarily deal in the best

interests of the women within that union. Would that be a fair comparison?

MS. D. CARLSON: That is correct.

MADAM CHAIRMAN: Are there any further questions? Thank you, Ms. Carlson.

The next delegation is Mr. Sid Green, the Manitoba Progressive Party. Mr. Green, do you have a written brief?

MR. S. GREEN: No, I don't, but it will be . . .

MADAM CHAIRMAN: Okay.

MR. S. GREEN: . . . I gather, transcribed, and you'll be able to read it then.

Madam Chairman, first of all, I would like to at least correct one statement that I heard here tonight that is made by one of the members of the Legislature. We use the royal "we" - we all agree with this concept. Let me at least indicate that there is one person here who does not agree with the concept. — (Interjection) — I am quite shocked, Madam Chairman.

MADAM CHAIRMAN: Order, Mr. Enns.

MR. S. GREEN: Quite shocked — (Interjection) — okay. Well, that's fine. I thought he was talking about the concept as being generally agreeable.

In any event, Madam Chairman, I would indicate that the first position vis-a-vis this bill that I wish to indicate my opposition to, is that the bill is a sexist bill. The bill says that where you have a group of females who are being paid less than work of equal value that is being done by a group of males, you will increase the pay of the group of females to the level that is obtained by the group of males. That is essentially the theory of the bill. The bill says nothing about having a group of males who are being paid less than a group of females are being paid, and paying the group of males equal to the value of the work that they are doing in relation to the group of females.

I suppose, Madam Chairman, that we can have a group where seven out of 10 are males, perhaps gardeners at the Legislature, although I'm not sure. It doesn't have to be that way. But if you happen to find a group of gardeners and seven out of 10 are males, that's a class of people, a male-dominated class. Those gardeners are being paid at a certain rate. Then they say that Minister's secretaries who are a group of females, because seven out of 10 of them are females, are making higher pay and they want somebody to take a computer and value the gardening as against the secretarial assistants to a Minister and come out - and, by the way, you can do anything with those keys, anything that you want to - and you come out with those keys that the gardeners should be making as much as the ministerial secretary. This bill is sexist discrimination against the gardeners, sexist discrimination against males.

If you believe in equal pay for work of equal value, and only those who know what it is can believe in it - Mr. Enns has indicated that all the MLAs know what it is and that's why they believe in it. I don't know what

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it is, but I say to those who know what it is that this is sexist legislation, it discriminates against males. And, if I follow the tenor of some of the ridiculous things that are going on in the other room, Roland Penner's consultants would say that it's contrary to the Charter of Rights because it places females in a different position to males.

I notice they changed all the language, Madam Chairman. I have no difficulty calling you Madam Chairman because I have never regarded the term "chairman" as a male term; I regard it as the person who chairs a meeting. I want to indicate, Madam Chairman, that when I appeared before a judge of Court of Queen's Bench and I said, "My Lord, I have never regarded Your Lordship as being a male term, and if you wish me to call you Your Ladyship, I will do so." She said, "Mr. Green, I never regard it as a male term either, Your Lordship is perfectly satisfactory." But we are changing all the names and you know that's kind of harmless, but even we draw the line.

The Landlord and Tenant Act is being changed, but it's not Landperson and Tenant Act, it remains Landlord and Tenant Act even though that is a sexist term. So the first argument that I have about this legislation is that it is blatantly, unashamedly sexist and that the government of this province, and apparently all of the MLAs agreeing, are adopting sexist legislation.

The second complaint, Madam Chairman, that I have about it is that there is not enough of it. I guess that subjects me to the criticism of the fellow who said that he went to a party and he came back and he was disappointed. His friend said, what was the matter? He said the food was awful and the quantities were miniscule, that there was not enough of it, the food was awful.

If we are thinking - and you know, there are people who say pay equity - and if you are against it, you are against pay equity, that the only way to establish pay equity is by legislation. We have had this thing happen now in several instances. If you are against what the Manitoba Peace Council regards as peace, you are for war; if you are against Mr. Trudeau's Charter of Rights, you are against rights; if you are against a statute which proposes to do something which it will never do, then you are against pay equity.

I heard someone get to this mike and say that somebody from Minneapolis came and spoke against pay equity. He never spoke against pay equity; he spoke against the concept that a Legislature can impose pay equity by somebody sitting down in front of a machine and figuring out what people are worth; that's what he was opposed to.

But if you could do it, Madam Chairman, to all of you MLAs - the Member for Woodlands wants to indicate that I am not one, and that's true and therefore I am not in that hallowed category. But you are! You are, you believe in this. Why not pass a statute and go further, that there should be higher pay for work of greater value? Why stop at equal pay for work of equal value?

If we can determine what wages should be paid by clicking into a machine, and the fountain of wisdom lies with members of the Legislature who are able to delegate to some bureaucrat who never did an honest day's work in his life, never produced anything of value, and is now going to say what other people should earn;

that's what they are going to do. They are going to hire people who have never done anything, never produced anything, never given anything of value to anybody in society, and those people are going to sit in front of computers telling people how much they are worth.

Madam Chairman, maybe they will have like spy versus spy, computer versus computer. They should have another group punching keys to find out how much the guys who are punching the other keys are worth. That will provide more jobs; that's good for the Jobs Fund to be advertised. But that's what is to happen under this bill. If you can do that, Madam Chairman, if you can establish equity by legislation, then why not punch out the keys and impose lower pay for work of lesser value? Why should people be getting the same pay if they are doing work of lesser value?

So the notion that this is possible has astounding ramifications. Just look what laws can do. By laws we can make water run up hill; by laws we can declare what is not to be a profit a profit. If Limestone doesn't make a profit, it's easy to make one. I am sorry I didn't know this; I could have made a profit out of Saunders. All I said is that the expenses shall not be included and the income shall be included, and if there is no income we shall put money in and that shall represent a profit because we will say profit means everything that comes in plus what the government pays, eliminating all expenses; that's a profit. You are now legislating what is equal pay for work of equal value.

Well, Madam Chairman, maybe I am being too critical, but I think I have reason to be. What is the history of this bill? I know that the government doesn't know what it's doing, and I can prove to you that they don't know what they are doing. Six years ago we were sitting in the Legislature and hypocrite No. 1, Lloyd Axworthy, introduced a concept of equal pay for work of equal value. He went to Ottawa - they never did it; they never did it, they still talked about it, but he said that it could be done immediately. By the way, certain members on our side of the House said it could be done immediately and they were very annoyed with me when I said this is a very difficult concept you people are talking about; we cannot support this, we don't know what we are doing. But nevertheless it moved forward.

Then almost four years to the day, perhaps less two months, there was a meeting conducted by the Status of Women, or an equivalent group in society, and I respect the efforts of those people. But, nevertheless, they had a debate amongst those representatives of the political parties . . .

MADAM CHAIRMAN: Excuse me, Mr. Green, I have a point of order.

MR. S. GREEN: Yes.

MADAM CHAIRMAN: Mr. Mackling.

HON. A. MACKLING: I hesitate, Madam Chairperson, to interrupt my old colleague, but he referred to a member of the Legislature, as he then was a member of the Legislature - the Honourable Member, as he then was, for Fort Garry - and he used the term "hypocrite." My former colleague knows that, at least in this building,

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and even in this committee, we do not allow people to be referred to in that derogatory term. I trust he will withdraw the remark.

MR. S. GREEN: That is not my understanding of the rule, Madam Chairman. If the committee makes me withdraw, I will withdraw that. My understanding of the rule is that you cannot refer to a member of the Legislature as a hypocrite. I'm not referring to a member of the Legislature. I'm talking about chief hypocrite No. 1, Lloyd Axworthy. He is not a member of the Legislature; he's a member of Parliament. I am suggesting to you that he is a hypocrite, that he went down on the basis of equal pay for work of equal value, stayed there four years and introduced nothing.

I will not withdraw the term. You want to kick me out of here. I will not withdraw the term. If the committee votes that I can't continue because I referred to Lloyd Axworthy, who introduced this thing in the Legislature, as a hypocrite, that is not my understanding of the rules.

HON. A. MACKLING: I think my former honourable colleague may be right in respect to the rule. I asked him whether he would withdraw the term, because I think it's offensive before a committee of the Legislature to be talking about anyone as a hypocrite, whether he be a friend or foe.

MR. S. GREEN: Madam Chairman, I thank the honourable member for saying that it's not against the rules. I respect his view as to what people should be called. I know what I have been called and it's far worse than hypocrite, and I do not withdraw the term. I have been called that by members of the Legislature sitting on the right side of this table.

MADAM CHAIRMAN: Mr. Enns.

MR. H. ENNS: Madam Chairman, I would respectfully request that you note the objections of the Minister of Labour and consider that and come back with a ruling tomorrow. We'll carry on with . . .

MADAM CHAIRMAN: Thank you.

MR. S. GREEN: Madam Chairman, four years ago, there were representatives of all the political parties at a group meeting in the Convention Centre where they were talking about women's issues, which is always a problem with me because I feel that all issues are women's issues. But nevertheless, they were discussing what they define as women's issues.

Previous to the meeting, they had sent us all the answers. They sent us their position papers on each of the questions. There were three of the representatives of the group, and they asked us the questions and we gave our answers. One of the questions had to do with whether there should be regulations for domestics, and I said you can't regulate baby-sitters. That's between husband and wife. Mr. Pawley said they should have the same regulations as everybody else. Then they scored us. Mr. Green gets 10; Mr. Pawley gets 100. And then they did the next question.

I said, just a minute. I want the audience to know that I've got all these answers. We all have. If I want

to get 100, all I have to do is read this paper, but I cannot do that. Therefore, I want to tell you what I think is true.

Then they said, what about equal pay for work of equal value? I indicated, Madam Chairman, this is a very difficult concept. Equal pay for equal work, we understand and can accept. That's not a difficulty. It is easy to define and has been defined. Equal pay for work of equal value implies that somebody can determine that a tackle on a football team is worth more than the quarterback, but you can get only one quarterback for 20 tackles, and you have to pay accordingly. That was my answer. Mr. Pawley said, we believe in it and we will implement it. That was four years ago. He got 100; I got zero. Now four years have come and four years have gone. The people who said that they could do it for four years did nothing.

The Status of Women who complained about Mulroney because, in the first year - he hasn't been there a year yet, and they condemned him for breaking their promises. I never heard the Status of Women in Manitoba condemn the NDP for having said they would do that four years ago and as it happens, Madam Chairman, brought in this bill so that it, in all likelihood, would not be implemented during their term of office. Because they brought it in at this Session of the Legislature, there would have been no implementation of the bill during the four years that they sat. If they were lucky, they would have a chance to renege in the next four years, but they probably wouldn't be lucky so it wouldn't make any difference anyway.

So this bill is a sham; this bill is a betrayal. This bill is a demonstration that, when the NDP was talking about that for four years, they had no intention of doing anything about it, couldn't do anything about it, and bring in this legislation which does nothing.

Are the members of this committee aware - yes, I have to give credit to the Leader of the Opposition - everything in this bill could be done without the bill? It only refers to the public service. If the government wants to go to Gary Doer and say to him we would like to pay some of your employees more money on the basis that they should get equal pay for work of equal value, I tend to think that Gary Doer will not say up your nose. He will take it. That's all this bill says.

They could set up their commissioner. They could set up their policymakers. They could do everything that is in this act without legislation. Why the legislation? Because they have betrayed a few people. They have told people within their own group that they're going to do things that they didn't do. They, like some others, think that the way you remedy a betrayal is to enact a piece of legislation that pretends to say something but, in effect, says nothing.

This bill could be implemented by the Government of Manitoba tomorrow if it were opposed by every member of the Legislature. The government could implement it. The Cabinet could implement it, if they wanted to. They could merely say we're going to set up a bureau - and the words are right, what is it? - Pay Equity Bureau. There are going to be bureaus all over with people sitting and telling other people what to do and not producing anything by themselves. But they could set up that bureau. They could tell the government negotiators, you are to find seven out of 10 places where there are women and, if they're getting

less value than what somebody who punches into a computer says they should be getting, then you're to increase their wages. What is the necessity of this bill?

This bill is self-imposed and, therefore, needs no legislation. This bill is window dressing. This bill is to try to salvage the betrayal of those people that Mr. Pawley betrayed and the NDP betrayed when they said four years ago, it's a cinch. Anybody who says it's a difficulty doesn't know what he's talking about. We will implement it.

One year passed, no implementation; two years passed, no implementation; three years passed, no implementation. This is the end of the fourth year. This bill would not have any effect on the NDP Government, and doesn't have any effect and doesn't require them to do anything. It is in that respect exactly the same as The Freedom of Information Act. They said they would do it immediately. They have now enacted a bill which is not a Freedom of Information Act. It's a possibility of keeping information secret act, and it won't affect this government at all. It's supposed to affect the next government, because it's enacted at the last leg of the term of the government, and that's what was intended. Now, they will probably hang on for dear life a little longer. They will probably try to hang on till 1986 and there's good reason for that, but it wasn't intended to do that.

Madam Chairman, in that respect, it is in the same category as the Treasury Branch is. In 1973, we went to the people, and we said we would enact Treasury Branches. Then we went to the Legislature and fought it out. It was a terrific fight, and we had all the credit unions against us. Do the members of the government party know that the act is still on the books? They could enact, they could create Treasury Branches in the Province of Manitoba without a single piece of legislation? But those who became controllers of the organization decided all we have to do is pass the act. We don't have to do anything.

That mentality governs with respect to this bill. This bill is totally unnecessary. There isn't a single feature of this bill that cannot be implemented with government action, with government policy, with government direction, without a single piece of legislation. You can create a bureau. You can go to arbitration. You can agree with the union to pay them more money. You can do everything that this act provides. But the government knew that what they were proposing was a problem. It took them a little while to find out and therefore they said it wouldn't apply to anybody in the private sector.

Well, that wasn't a promise of the NDP Government. The promise was equal pay for work of equal value. Anybody who disagrees with that has got to be against pay equity. He has got to be some type of Neanderthal.

They disagree with it for the great majority of employees in the Province of Manitoba, don't they? If they don't, why don't they enact it? Why don't they put into this bill that this act shall apply that every employer has got seven out of 10 women in a certain area has to go to a bureau and watch the keys being typed in and has to change the wages of the employees. Why don't they do it?

Because, they, Madam Chairman, have fully examined it. They see the impossibility of this position. The reason I talked to the young lady who addressed the group just before me, the reason that the scales are so low

is they want it to have as little effect as possible until the election and to deal with the subject in one of two ways afterwards. If they lose the election, it's the next government's problem; if they win the election, if it is a problem, they can always change it. In the meantime, we have a cosmetic window-dressing bill and I regret, Madam Chairman, and I say this to former colleagues - Mr. Enns wants to remind me that I am a former colleague, okay, former colleague - that there is some responsibility on an opposition in the government.

When they see something wrong, they should not be carried away by the psychology, we can't appear to be opposed to pay equity. You heard me in the Legislative Assembly saying then what I am saying now. I did not change the position. The fact is that for four years, the NDP, which said that it was as simple as rolling off a log, did nothing. The reason they did nothing is that they couldn't do anything. They had misrepresented fraudulently to a bunch of people that they could do this and it was a simple concept. Anybody who was against it was a fascist reactionary.

Well, they're against it. They have been there four years and they didn't do it, and they're still not doing it in the private sector. Why not? Are you fascist reactionaries? Why aren't you legislating?

We have, Madam Chairman, the power. Just imagine. We have the power in Manitoba to create a heaven on earth. By legislation, we can provide equal pay for work of equal value - 'tis a consummation devoutly to be wished. Why don't we do it? We have the power. We have the members. We have the concurrence of the opposition. Do it.

Madam Chairman, the reason it is not being done is that it is not as it was represented to be. It is not a simple proposition; it is a very difficult proposition. If it were simple, it would be done without this piece of legislation.

Madam Chairman, I think that the way to judge what happens in this type of situation is not by what is said. I remember there was a football coach who used to tell his players that they shouldn't smoke; they shouldn't drink; they shouldn't stay up late; they shouldn't carouse and other things. Then they watched his coach. He smoked like a fiend. He drank till he was dead drunk. He did everything else and they said, how come? He said, "I am the coach. Do as I say, not as I do."

Now look at what this government has done. It talked about women's rights. They say they want women in the public service. They want affirmative action. They want to promote it to higher levels within the service. Well, let's take an actual case. In this case, I merely recite the facts because it will be before the Court of Appeal. It was before the Court of Queen's Bench.

Here is a woman who was 17 years in the public service. In her department, she was the most senior employee of anybody under the Deputy Minister level. She had been promoted to the position of SO 1, so she was promoted out of scope. Mr. Doer knows about it. She was promoted out of scope. Two years ago, the government said, we want you to lay off three people in this department. So they went to the department - and by the way, her manager, her boss, who was a male, probably a chauvenist pig, he said, I could get two for your price. So they named three people to be laid off and she was one of them. The reason they said that she was to be laid off is that she was the only SO1.

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Although she outranked everybody else in the Civil Service and had been there 17 years, she was an SO1, so she was the most junior person. It is unbelievable. That is what happened. They said that she is the most junior person because there is only one SO1, therefore, she is the most senior and the most junior. We will lay her off and the other two. Then the government came back and said, no, you are not to lay anybody off who is within the bargaining unit of the MGEA. She had been promoted out of scope.

Here is the ideal position, a woman, got there by herself, needed no affirmative action, an economist, worked her way up, got to the highest position. This is where you want them. She is the only person in the department who was laid off. Do as I say, not as I do.

You have a situation now, Madam Chairman - and this will be dealt with, and I happen to be dealing with this in my professional capacity - you have the geologists and certain other professional people and the engineers who all were at the same level of pay in 1982. So we have established their level, probably did it better than a computer would do it. They were all making the same amount. The other people were part of the MGEA and got certain increases. The government wouldn't give them to the engineers. So the engineers have fallen behind by several thousand dollars as against these other people. They say, we would like to have equal pay for work of equal value. The government says, you're a small unit. You haven't got much power, therefore you are not going to get much money.

That's pay equity. This is a search for pay equity. The words "pay equity" mean nothing. The legislation means nothing. What you have to observe is how the government behaves, not what it puts on the Order Paper in English and in French, but as it behaves.

I say to you, Madam Chairman, that this bill is a sexist piece of legislation. It is an unnecessary piece of legislation. It is a fraudulent piece of legislation, and that thousands of people throughout the province will have wrong illusions about what is achievable in the Province of Manitoba by virtue of the psychology that is attempted to be created. I am here, Madam Chairman, hopefully, to dispel some of that illusion that is attempted to be cast here for years after the event - and it is four years.

I'm hoping, Madam Chairman, that the people of the Province of Manitoba do not fall into the category of substituting a suggested massive bureaucracy of so-called experts to deal with how much is the value of a human being and his efforts as against freedom, a system which has worked very well. If you say people of one sex have found that it has not worked well for them, I say, Madam Chairman, you're not able to ascribe to that freedom. You are dealing with part of the cultural traits of our society which change from time to time.

When I practise law now in the courts, I would say that one out of four people that I'm dealing with is a female counterpart. That didn't come about through any legislation; that came about, Madam Chairman, because women are not inferior to men and this legislation says that they are.

MADAM CHAIRMAN: Thank you, Mr. Green. Are there any questions? Seeing none, thank you.

Ms. Donna Lucas, Charter of Rights Coalition.

MS. D. LUCAS: Good evening, Madam Chairperson, members of the committee.

The Charter of Rights Coalition (Manitoba) has been organized here, as elsewhere in the country, to educate women on their rights and potential rights under the Canadian Charter of Rights and Freedoms and to advocate for legislative changes which will reflect the principles of equality as set forth in section 15 of the Charter.

We are pleased to present our response to Bill 53 this evening. The brief contains comments and recommendations to various specific sections of the act and we would urge the committee to give consideration to these.

We wish however, at the outset, to commend the government for taking action on the issue of equal pay for work of equal value. We feel that this is an issue whose time has come. The implementation of this principle, in concert with a comprehensive affirmative action program, adequate universally accessible day care and other changes to facilitate the full participation of women in the paid workforce must take place.

In biblical times, according to Leviticus, women of working age were valued at 30 silver shekels, while men were valued at 50. This ratio is basically unchanged today. While the coalition does not believe that the mere implementation of pay equity legislation will automatically end this unconscionable situation, we do support the implementation of the principle and urge its systematic, effective and efficient practical application.

The initiative shown by this government in proposing to legislate a procedure for the orderly implementation of pay equity is, as stated earlier, to be commended. However, we feel that this proposed legislation does not go far enough in establishing pay equity in Manitoba.

The scope of the legislation is far too restrictive. The coalition feels strongly that it should be extended to include not only the entire public sector, but the private sector as well. We are well aware of the hue and cry raised by some sectors at the introduction of the bill into the House. The arguments used to attempt to dissuade both the government and the general public from supporting the concept are very similar to those used against all advancements made in the field of employment law in the past. If it had been left up to the marketplace, to the law of supply and demand, or the employers to assess the opportune time, we submit that changes to child labour laws or the sharecropping system in the United States would have been an awful lot longer in coming. These arguments are scare tactics which must not be allowed to dissuade this government from implementing this bill and, in fact, from going further to provide access to equal pay for work of equal value to all Manitobans.

I believe as well that it's not enough to educate women in schools, to provide them with access to non-traditional or male dominated roles. As there will always be a significant number of women in traditional jobs, there will always be that work to be done and by virtue of women choosing that, they should not be penalized with lower pay for so-called traditional jobs.

We have specific comments in the following sections:

You've defined "external agency" in the Definition Section, and we believe that the legislation should apply to the private sector as well, but certainly at the very

least at this time, the bill should cover all of the public sector and provide for, if necessary, timed entry of municipalities, the local government districts, school boards, health care facilities other than those named in Schedule A.

We have concerns about "female dominated class." The percentage of 70 percent is high. We believe it ought to be 60 percent or assessed at a figure lower than 70. Our concern is that assessing the percentage of a dominated class at such a high level may, in effect, restrict the number of people and the number of job classes which qualify for the pay equity legislation.

We have also some concerns with regard to employers of under 500 employees. They have access that other classes may be defined in regulation and not in the same manner as for employers of more than 500, which is through negotiation process or agreement between the two parties.

Again, the same comments would apply to "male dominated classes."

The establishment of a pay equity bureau as a separate division to deal with the issue of pay equity is commended. We would stress, however, that it's necessary to provide adequate funds to the bureau to enable it to carry out its tasks effectively and efficiently. Without money, we feel that the bureau itself may not be able to offer the assistance that it is legislated or that it is to provide in the legislation.

We have some concerns with regard to the powers and the duties of the executive director. We feel that the legislation limits those to that of adviser and information seeker or giver and there appear to be no powers given to this person to either investigate, lay complaints or to generally have any definite effect on the process.

The executive director can file a complaint with the Labour Board if there is a refusal to provide her or him with information as requested. That process, in terms of the filing the complaint, is to be outlined in regulations.

In section 6(1) - the points outlined for determination of value of job classifications are good, but we have a concern that there should be as many specific criteria to be used to value jobs as possible, thus reducing the risk of jobs being classified in very broad terms. While the actual selection of the job classification system to be used is determined in 9(1), that is, through negotiations between the two parties, our concern is that what may be intended to be a minimum number of criteria outlined in section 6(1), may in effect become the maximum.

The provisions in 6(2) concern us greatly, as it appears to allow the comparison of actual to average salaries. This process is not one which is acceptable to us. Comparisons should only be allowed on the basis of specific or average to average salaries.

Protections provided in sections 7(1) and 7(2), with regard to wages not being able to be reduced, no one losing pay or no one lowered in classification are good.

However, section 7(3), we find particularly offensive for a number of reasons. The wording in subsection (a) appears to provide that less than 1 percent of payroll can be required to be paid out in a year or can be negotiated to be paid out in a year in taking steps towards achieving pay equity. That concerns us, that 1 percent does not appear to be a minimum. It is,

however, clearly stated as a maximum and we find that that maximum is far too low. We accept that a phased-in process needs to be put in place but there should not be a maximum that's 1 percent of salary if, in fact, there ought to be that provision there at all.

The provision in subsection (b) which basically limits the length of time that the legislation will be enforced to four years is, in no way, acceptable to our group. The placement of this artificial ceiling on the costs that can be required of an employer to implement pay equity is not in keeping with the principles of pay equity.

The concern we have with regard to the 4 percent total cost projection that is placed in the legislation is that the figure is based not on Manitoba figures, but on outside jurisdictions on the understanding that process or that investigation hasn't taken place here. However, we have a concern that the 4 percent may not turn out to be adequate, and legislation would deem that's all that could be placed on the pay equity process.

With regard to the Civil Service section, sections 8(2) and 8(3) provide for a process of negotiation to take place in good faith and with disclosure of information. That is to be commended, and ought to happen in any case. However, it should be somewhere clearly stated that the negotiations must result in a plan which conforms to the principles of pay equity, as outlined in this legislation.

The time frames outlined in section 9 seem to be rather lengthy. Assuming that the full time available is used up, no changes will take place prior to September 30, 1987, and it will be 1991 before even a 4 percent payroll cost benefit, in effect, reaches any workers. There must be amendments made to either shorten this process or, in 7(3), to mandate higher amounts of money being made available for pay equity in terms of minimums.

The executive director in section 10(2) is given power to refer the matter to arbitration. In fact, the legislation says "shall refer," which is a mandatory provision. We commend that. There ought not to be the ability of the two parties for whatever reason, and I hope that wouldn't ever happen, to delay the process of solving the issues past the time lines which, as we've said, we feel are already more than adequate.

There is a discretionary factor in section 10(3) with regard to referring to arbitration the failure to implement plans that have already been negotiated. The word "may" is used there, as opposed to "shall" in 10(2). This causes us some concern in that there is no mandatory provision that, if in fact implementation is not taking place, someone can make sure that it goes to arbitration to be dealt with.

The powers given to the arbitration board in this section to effect an award are good, except again we would indicate our concerns with the maximum in that the board is bound by not awarding an amount in excess of what is now in there as 1 percent of payroll per year.

The provision for the ordering on retroactive adjustments is also commended. We are all well aware of just how lengthy the arbitration process can be, and workers should not be penalized for that.

In the section on Crown entities and external agencies, section 13(1) in its wording appears to allow for a separate system to be negotiated and implemented in each external agency. Our concern is not that this may be necessarily bad, but it may lead to inequities

within the public sector with regard to the valuation of job classes.

In section 15(1), the Labour Board has been designated as the body to which the matter will be referred if there is no agreement. Even though section 19(f) provides for the establishment of "special panels" of the board to deal with the pay equity issues, we would recommend that there be a separate board to deal with this issue.

Perhaps a rhetorical question on 15(6), there is a duty given to the executive director, if negotiations break down in Crown entities and external agencies, to provide a report to the Labour Board. This is not reflected in the Civil Service section. It's perhaps a rhetorical question, but why not?

There is an obligation in section 16 placed on the Crown entities and external agencies to co-operate with the bureau, and we agree with that obligation.

Section 18(1) indicates that other external agencies can be added to the list. That opportunity to increase the number of workers covered by pay equity legislation is commended but, as we stated earlier, we feel there should be provisions clearly spelled out within the legislation which would cover all of the public sector as a minimum at this time.

Thank you for listening, and that ends my comments unless there are questions.

MADAM CHAIRMAN: Thank you, Ms. Lucas. Are there any questions?

Mr. Ransom.

MR. B. RANSOM: Thank you, Madam Chairman.

Ms. Lucas, I believe earlier on in your presentation you said that you didn't believe that this legislation went far enough, and that all Manitobans should be able to benefit from pay equity legislation. Are you referring there to women outside of the public service, or are you making a more general statement?

MS. D. LUCAS: I said all Manitobans. I believe that pay equity legislation will not simply benefit only women in the public sector.

MR. B. RANSOM: Are you taking the position that this should apply to all people in Manitoba, and that the bureau should have jurisdiction over other job classifications besides those that are occupied predominantly by women?

MS. D. LUCAS: I think the way the legislation is set up, as I read it, there will be female-dominated classes identified and male-dominated classes identified, and there will be comparisons made. So, in effect, changes can occur in either of those classes, depending on the values placed on them. It won't simply be on the basis of sex. We have said in our brief that we feel it ought to apply to the private sector, yes.

MR. B. RANSOM: Do you think that there are inequities within job categories occupied by either men or women within categories that would be predominantly women or within categories that would be predominantly men that should be addressed?

MS. D. LUCAS: You mean, if you compared two female-dominated classes to each other in terms of value? I

would think, once the valuation system is set up and assessed, each job class that's identified through the legislative process as of that particular date will have a value placed on it. Then there will be a look at what that job is currently earning in comparison to other jobs of similar value. So I would say I don't know but perhaps, yes, there may be that effect.

MADAM CHAIRMAN: Are there any further questions? Thank you, Ms. Lucas.

MS. D. LUCAS: Thanks.

MADAM CHAIRMAN: Mr. Gary Doer, President of the Manitoba Government Employees' Association.

MR. G. DOER: I believe the committee has copies of the brief.

MADAM CHAIRMAN: The Clerk will distribute them. Proceed.

MR. G. DOER: Good evening, Madam Chairperson.

The Manitoba Government Employees' Association welcomes the opportunity to present its views on Bill 53, The Pay Equity Act, to the Law Amendments Committee. As the union which represents by far the majority of employees potentially affected by this legislation, the MGEA is clearly an interested party.

The Manitoba Government Employees' Association supports the concept of pay equity. During the past 10 years, we have negotiated with the government pay increases which have incorporated both flat dollars and percentage amounts. This approach has had the effect of upgrading lower-paid classifications in relative terms. We have, over the years, also negotiated special pay adjustments for lower-paid classifications. In many instances, the classifications that had been benefited most from our efforts at the bargaining table have been female dominated.

The MGEA recognizes however that, in spite of the progress made to date, pay inequity still exists in the government service, largely due to the unilateral powers of the Civil Service Commission regarding classification, selection and promotion. It is for this reason that the MGEA proposed and successfully obtained in the recent round of negotiations a joint union-management committee to deal with the issue of pay equity in the Civil Service. The proposed legislation reinforces the commitment of the parties to pay equity, and provides parameters in terms of time and money for achieving equity.

The legislation provides for pay equity to be established through the process of collective bargaining. This is consistent with the position taken by the MGEA at a joint council meeting on June 3, 1985, where the concept of pay equity was discussed. The government is commended for resisting the temptation to usurp the collective bargaining process by having pay equity determined by a bureau and/or a compulsory system of point rating and "scattergrams."

I would submit that this bill, as an aside, will allow us not to be a computer in the collective bargaining process, Mr. Green. We will, I assure you, go to the table discussing this issue with our membership in the tried and true collective bargaining system.

We further believe that the time frames and financial guidelines of 1 percent of payroll per year are reasonable parameters within which the parties can work.

The MGEA also has some suggested amendments to the existing and proposed bill.

Section 7(1), the government has assured the MGEA that it is not the intention to achieve pay equity for some employees at the expense of others. Section 7(1) of the bill provides that: "No public sector employer shall reduce the wages of any employee in order to implement pay equity pursuant to this Act." I might also add that this is the message our members heard at the press conference and in verbal messages over the media from the Honourable Muriel Smith and the Honourable Al Mackling.

At first glance, this section would appear to provide the necessary protection for employees. It is unclear, however, whether providing that no employer shall reduce wages would still allow a third party, arbitration or Labour Board, to effect wage reductions in order to achieve pay equity. I would say through classification freezes, and I'll go on to that later.

Secondly and more importantly, a potential problem exists within the application of section 9(1.1) of The Civil Service Act and 11(6) of The Civil Service Act quoted below. I won't read those sections, but I'm sure members here are very knowledgeable of those sections and their implications. We'll explain that as we go along.

Moving on to Page 3, these above sections were introduced as amendments to The Civil Service Act in 1974, behind the publicity of political rights for public employees or civil servants under section 44. Section 11(6), in particular, was opposed by the MGEA at the time as it allows for the unilateral downgrading of classifications and salaries. In simple terms, these sections mean that an employee can be demoted for other than disciplinary reasons and have his or her rate of pay reduced, "unless otherwise approved by the Lieutenant Governor in Council." Demotions for other than disciplinary reasons could conceivably occur in order to achieve pay equity.

In our opinion, the primacy section of The Pay Equity Act, section 4, in conjunction with section 7(1), would preclude a reduction in wages in such cases. It is also our respectful submission, however, that the provisions of The Pay Equity Act, as presently drafted, would not preclude the freezing or red-circling of salaries on approval of the Lieutenant-Governor-in-Council. Indeed, Order-in-Council 218/80 gives the Civil Service Commission precisely that authority to freeze wages on non-disciplinary demotions. That Order-in-Council is appended for your information.

It is somewhat ironic that same Order-in-Council resulted from the desire of the Civil Service Commission to protect the salary of one of its own staff members. The authority granted in Order-in-Council 218/80 has since been used in conjunction with section 11(6) of the act to downgrade classifications and freeze the salaries of other government employees. For example, in 1984 during the peak fire season - and the Minister will be aware of this - some 25 fire rangers had their classifications reduced and their salaries frozen by the Civil Service Commission. These demotions were implemented unilaterally, retroactively, and the employees weren't notified until they received their

paycheque that they, in fact, had been frozen and downgraded.

Given the potential for such indiscriminate use of section 11(6) of The Civil Service Act, it is understandable that some Manitoba Government Employees' Association members are nervous about the implementation of pay equity. The morale problems created by the existing wage-freeze practices would be compounded tremendously if red-circling were used to implement pay equity.

It is the MGEA's position that the freezing of salaries constitutes a wage reduction in real terms. It affects not only their present wages, but it also affects their pension in future. In order to alleviate the concerns of the MGEA in this regard, it is suggested that section 7(1) of The Pay Equity Act be amended to read: "No employee shall have his/her wages or classification reduced in order to implement pay equity pursuant to this Act."

We believe that this wording would eliminate any ambiguity as to whether a third party could effect wage reductions through these classification changes. The reference to classification maintenance would ensure that employees would not be demoted and suffer a wage freeze in order to implement pay equity. If the government is sincere in its belief that employees should not be adversely affected by the implementation of pay equity, then the act should so state in clear and unambiguous terms. In the absence of such a statement, the MGEA cannot wholly endorse this legislation.

I might add, we have just studied some states in the United States where male classifications were frozen. While everybody talks about Minnesota, there are other states in the United States where the "scattergram" approach was used to move salaries to one constant line. It caused tremendous morale problems, and the employees used the Constitution of the United States to break off into various unions in the same public service with tremendous problems for both the public service, the services the public receives and the employee groups and the governments.

We believe that our proposed amendment provides the necessary protection for employees, while leaving the employer with the latitude to use 11(6) of The Civil Service Act and Order-in-Council 218/80 to deal with legitimate non-disciplinary demotions, i.e., in the case of a physical incapacity to perform work at a certain classification level. Our concern with the potential for abuse of the broad powers granted by 11(6) is a matter for another forum. In 1981, the Premier suggested that it would be desirable to set up a joint government-MGEA task force to make recommendations on labour relations legislation. We still look forward to this opportunity, and the battle of 11(6) can be fought at that time.

A second concern under (b), dispute settlement mechanisms, section 10 of the proposed act provides for arbitration in the event that the parties fail to reach agreement on the implementation of pay equity in the Civil Service. The MGEA is optimistic that the arbitration process will not have to be used, but it is a sensible way of dealing with an impasse if it occurs. We, therefore, support the concept of settling pay equity disputes by binding arbitration.

We would, however, offer comment as to how the dispute settlement procedures in the act might be

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amended to better serve all parties concerned. Firstly, the government should consider the possibility of developing a list of agreed-upon arbitrators for pay equity, either to be included as a schedule or to be included as a schedule appended to the act. In this way, the legislation would enhance the probability that arbitrators will either have some expertise on pay equity or will develop it. In any event, if an agreed-upon list could be developed in advance, unnecessary time delays and haggling over the selection of an arbitrator could be avoided.

Secondly, the government should consider extending the arbitration provision to Crown corporations and external agencies. The current section 15 proposes that pay equity disputes in these jurisdictions would be referred to the Labour Board. We suspect that Crown entities, agencies and bargaining units concerned would want their rights to be consistent with those which exist for The Civil Service Act. We would suggest that the government consult with the groups concerned before making any such change.

I can say that we have consulted our membership at the Public Insurance Corporation, at the Liquor Commission, a number of other smaller Crown corporations and a number of health care facilities that we represent on Schedule 6, for health care facilities on Schedule A, and they too would prefer that system of dispute resolution settlement.

Apart from the consistency aspect, it is our respectful submission that the Labour Board already has ample statutory responsibilities without becoming embroiled in pay equity disputes. We see no need for the Labour Board to attempt to duplicate the expertise which may exist in the Pay Equity Bureau and among the arbitrators who may be experienced in this area.

Conclusion. The MGEA is prepared to accept a leading role in establishing pay equity for employees in the Manitoba public service. We believe that the path chosen by the Manitoba Government, in putting its faith in the collective bargaining process to produce pay equity will be proven to be correct. The legislation is sound in principle. We believe that our suggestions, if implemented, will facilitate the implementation of pay equity to the benefit of all parties concerned. The Manitoba Government Employees' Association is confident that the Manitoba model will be a working model - one that will be worthy of emulation by other governments and the private sector.

That's respectfully submitted on behalf of the members of the MGEA.

MADAM CHAIRMAN: Thank you. Are there any questions for Mr. Doer? Seeing none, thank you very much.

Ms. Susan Hart, the Equal Pay Coalition of Manitoba.

MS. S. HART: Madam Chairperson, the Equal Pay Coalition of Manitoba is very pleased to address you about their views on Bill 53 - The Pay Equity Act. We are very pleased that this government has taken steps to redress the discrimination that working women have been subject to for years. We are pleased that the bill recognizes our international obligations as well as the guarantees within the Canadian Charter of Rights and Freedoms.

Under the first section of the act, which is "Definitions," we have one concern as a coalition, that has been brought to our attention and we would like to bring it to yours. Under the definitions of "female dominated class and male dominated class" there was concern among members of the coalition with regard to Subsection (iii) which defines those classes in the case of a public sector employer which employs less than 500 employees. We are concerned that they may be defined in the regulations and we would like to ensure that where a public sector employer employs less than 500 employees there need not be a cap on the number of incumbents, i.e., if a public sector employer has 20 employees we would hope that there is not a need for there to be 10 janitors of whom 70 percent or more are men in order to compare them to the day care workers of whom 70 percent or more are women. If this legislation is to be meaningful we must ensure that it reaches all public sector employers regardless of size or number of employees.

We are concerned in section 3, titled "Application of the Act" that the private sector is not included under the act. Women working in the private sector suffer much more from discrimination which affects their wages than do women in the public sector. The public sector is largely unionized and statistics show that unionized women have a lesser wage gap to contend with than non-unionized women. The private sector is largely non-unionized and women are in the lowest positions within both of those sectors. There is an injustice in the way that wages are given to women and we feel that the injustice must not only be corrected in the public sector, but also in the private. We have heard representatives of the private sector over and over discuss how they believe in the principle of equal pay for work of equal value, or at the very least, equal pay for equal work. But very few have moved to implement such a philosophy within their own workplaces. We need legislation in the private sector because volunteerism on behalf of the private sector has simply not corrected the problem that exists for working women.

We would also like to see a deadline within the legislation for them to be included by. We must be aware that if the private sector is included under The Pay Equity Act that there will need to be further legislation to address some of the specific problems that exist within the private sector that do not exist within the public sector. An example of this is extending the power of the Executive Director of the Pay Equity Bureau to be able to initiate proceedings if the agreements reached in the workplace do not really achieve pay equity, since the private sector is largely unorganized. We feel that school boards and municipalities, as part of the public sector, should also have been included in Bill 53.

In Part 1 of the act, "Pay Equity Bureau and other Provisions" the Equal Pay Coalition of Manitoba would like to ensure that the Pay Equity Bureau will have sufficient funding and personnel to perform the duties as described. We have had a concern that where equal pay for work of equal value legislation has existed elsewhere in Canadian jurisdictions that it has been doomed to failure because it has not been sufficiently funded to make it have any meaning whatsoever. There is nothing worse than creating wonderful legislation

and then not being able to follow through on it because there's no money to do it.

We are pleased that the Executive Director has the power to file a complaint with the board if there is failure to negotiate a plan of wage adjustments or failure to implement that plan.

We are also very pleased that under Part 2 and Part 3 of the act the parties bargain to reach agreement respecting the implementation of pay equity. We feel that the development selection or application and implementation of a job evaluation system that is not bargained and agreed to by both sides is a formula for failure. This recognizes the differing needs and concerns of employers and gives employees and employers the right to tailor make the system to meet those needs rather than being inflexible and impositional.

We have a problem though under "Crown Entities and External Agencies" in that when proceedings are initiated, they are referred to the Labour Board. The position of the Equal Pay Coalition was that there was to be a three-person Pay Equity Board established. We do not want matters referred to either the Labour Board or the Human Rights Commission for basically two reasons. Since the labour legislation introduced and passed by this government has come into effect, the Labour Board has been very busy with test cases to that legislation. The Human Rights Commission takes a great deal of time also to get a date set for hearing a complaint. We don't want to tie up the Labour Board or the Human Rights Commission with pay equity referrals. We would like a three-person board established keeping in mind the government's affirmative action program to hear pay equity cases. The Labour Board and the Human Rights Commission both are experts within their own jurisdictions, one being the Human Rights Code, the other being The Labour Relations Act. This does not necessarily mean that they will be comfortable or informed on pay equity and we have concerns about their expertise on this matter. With the Labour Board we also realize that there are management representatives hearing the cases and, quite frankly, we have little faith in management's commitment to this philosophy, as we can see by the opposition in the media to pay equity. We feel that this is necessary to ensure credibility in the eyes of those filing the complaint, that a fair and just remedy has been reached.

The Equal Pay Coalition of Manitoba still would like to have a separate Pay Equity Board to deal with complaints and referrals and to have the remedial power necessary to enforce the legislation. The Equal Pay Coalition would like to be notified of the regulations concerning pay equity and hope that we can have some input as well into the regulations.

With these concerns in mind, the Equal Pay Coalition of Manitoba is still pleased that steps have been taken to implement pay equity for workers in Manitoba. We will assume that this is the first step of what we hope is justice for all workers in this province. This legislation, though it may not be perfect, is by far more meaningful than any legislation we have in any other jurisdiction in this country. Once again, all eyes are on Manitoba and we feel this government can be proud that they have taken innovative steps to correct a social and economic injustice.

We would like to thank you for your time in hearing our concerns, and we urge you to make the amendments that the Equal Pay Coalition recommends to this bill.

MADAM CHAIRMAN: Thank you, Ms. Hart. Are there any questions? Seeing none, thank you for your presentation.

MS. S. HART: Thank you.

MADAM CHAIRMAN: Mr. Murray Smith. Do you have a written brief, Mr. Smith?

MR. M. SMITH: Not on this occasion, Madam Chairperson.

MADAM CHAIRMAN: Fine, proceed.

MR. M. SMITH: On this occasion, I'm appearing as a private citizen. The society I represented on some other occasions has policies supporting equal pay for work of equal value in child care and would like to support it in other areas, but to date it lacks expressed general policy. However, as for my house, comprising of five still youthful women and myself, we support this bill as a significant start in the right direction.

I wish to make but three points. First, equal pay for work of equal value is not a new idea hatched last week in the fertile brain of some hare-brained academic. It was part of career counselling courses more than a decade ago. In 1974, the Health Sciences Centre agreed with the Canadian Union of Public Employees when a job evaluation program for the 400 different jobs held by the 2,000 HSC employees in that union. I have an outline of that program in this document which was published in '77.

I happened to chair the centre's board while that program was put into effect, and although there were some difficulties it was generally well accepted and overall very successful. It raised some rates of pay, for example, among child care workers; and it red-circled others. Throughout, results were generally received in good spirit.

One interesting encounter which remains with me very vividly was between the pay increases called for and the guidelines of the anti-inflation board. The AIB ordered a rollback order saying, in effect, that the centre could not implement a contract which it had negotiated with its unions. The centre and the union made a joint appeal against this order. The AIB accepted the evidence that these increases were to correct historic discrimination and restored the rates that had emerged from the evaluation process. I take that as evidence that the process itself was convincing and that the evidence it turned up of systemic discrimination in wage rates was understood by the anti-inflation board who proceeded to reverse themselves on that important issue. That the centre was satisfied with the principle of job evaluation and the processes used is borne out by a submission which the centre made to the provincial task force on the subject in 1976.

Second, the equal pay for work of equal value need not involve massive government bureaucracy or government interference in job evaluation programs.

There's value in a provincial bureau to offer advice and provide training in job evaluation techniques such as Workplace Safety and Health provides assistance to local joint committees. Both the Health Sciences Centre Program and the Steelworkers Program in Thompson were really co-operative efforts by management and employees. Basically, this commitment and co-operation are what make the undertaking succeed. Within our own province these examples are evidence that comparability and pay equity are thoroughly practical.

Third, certainly reducing the effects of centuries of gender stereotyping will cost money. If it wouldn't cost money, it would have happened 10 or 15 years ago or 50 years ago. Jobs traditionally dominated by women and underpaid because "women's work" has always been undervalued except in the emotional terms of Mother's Day are now the main reason why on average women must also work Monday, Tuesday and Wednesday of the next week to earn what men took home on Friday. If this cost is rather larger than some anticipated, this shows only that the inequity is greater than some thought. This discovery is hardly grounds for not acting; rather it adds to the urgency of proceeding to eliminate the inequities.

Thank you.

MADAM CHAIRMAN: Are there any questions for Mr. Smith? Seeing none, thank you very much.

Darlene Hildebrand and Ed Martens for the Winnipeg Chamber of Commerce.

MR. E. MARTENS: Madam Chairman, I will introduce the subject and then Darlene Hildebrand will make the main presentation on behalf of the Chamber and she has copies that she will distribute to all of the members.

Madam Chairman, the issue before us is a very complex one. We started to study the issue just about a year ago when we realized that Manitoba would be facing it and we appointed a task force some two, two-and-a-half months ago under the leadership of Darlene Hildebrand. That task force gathered as much information as it could, consulted with non-experts in the field and as recently as last week had John Tice (phonetic) from Washington here to discuss the issue with business people and with the public. We feel the issue has not had the public debate and rational open discussion that it warrants. The quick-fix legislation that we have before us, we believe will not do the job. Yes, Mr. Green, we too believe in the principle of pay equity.

Employers and employees alike have worked in that direction for many years. This government, it's interesting to note, has put forward some what we would even call good legislation, believe it or not, and some bad legislation. We point to the move that you took in the area of technological change where instead of heavy legislation, you decided that a consultation route with management and the employees, government's assistance and the Innovation Centre that has been established was the best route to look for solutions to problems brought forward by technological change.

In the same vein, under the persons working alone regulations, you decided that even when a person's life was at stake that regulations and joint discussion between the parties was the most reasonable, sensible, long-term solution. Under affirmative action, you didn't

establish a bureau of affirmative action; you gave that as a mandate to Deputy Ministers and Ministers to report to the Legislature on how they were implementing affirmative action in their departments. We think that is the positive way of going.

With that, Madam Chairman, I would like to introduce Darlene Hildebrand and she will make the presentation and we'll answer any questions later.

MS. D. HILDEBRAND: Madam Chairperson, thank you very much for the opportunity for the Winnipeg Chamber of Commerce to present their views to this committee. On the outset, I would like to once again underscore and make the very critical point that we in business in Winnipeg savour equal pay for equal work. There is no question about this. What we disagree with here is the method that this proposed legislation intends to deal with the situation facing some women in society today.

We feel that the difference in wages that have been cited as evidence for the need for this legislation are not, as some people tonight have pointed out or tried to suggest, the result of systemic discrimination. We do not believe that business has systemically discriminated against women, but that this whole issue is such a complex social issue that it is really beyond the scope of this legislation. To the extent that inequities exist, we feel that the legislation is not the means to effectively deal with such inequities. I will explain our position by addressing some of the key issues which have prompted the government to introduce Bill 53.

First of all, that legislation is even necessary to eliminate gender discrimination in wage setting. To the extent that such discrimination exists in the Civil Service, remedies are already available through human rights legislation. If the government has not been effectively enforcing these laws, we feel the answer is proper enforcement not further legislation. The means within the Civil Service is already there. It simply needs to be implemented.

This legislation is supposed to reduce the wage gap between males and females, which the government claims is currently 44 percent. We would like to clarify this.

Manitoba civil servants are already among the highest paid in Canada. The wage gap in the Manitoba Civil Service, based on hourly rates, decreased by 28.8 percent already, between 1973 and 1984; and this is 12 percent less than the national wage gap between males and females. Female wages in the Manitoba Civil Service increased by 364 percent in this same time period, 1973-1984, which is a rate 89 percent greater than the increase in male wages. It should also be pointed out that the median length of service for men in the Civil Service is 44 percent longer than the average length of service for women in the Civil Service of Manitoba; and we point this out only to make the point that a simple comparison of wage differentials are simply not meaningful. We are not comparing the same thing.

However, as the figures that I have already pointed out will show, if the trends are to continue, and they are continuing, legislation is a very costly way to achieve something that is already happening on its own.

The government admits that the wage gap is primarily caused by the fact that 70 percent of women employed

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are employed in lower paid occupations. However, the government views the use of training as a method to decrease the wage gap as too costly and too time consuming. We take great exception to this.

When one considers that the number of women entering post-secondary educational institutions is growing at a rate eight times that of men, and that many more career opportunities are opening up in the professions, it would seem that the wage gap is being corrected. In fact, when one considers that, nationwide, the number of female doctors grew from 3,000 to 6,500, over 100 percent, between 1971 and '81 and the number of female of lawyers grew from 770 to 5,000 over the same period, we can see that women are quickly joining the ranks of professionals at an accelerated rate. Although it may take longer, pay increases gained this way reflect increases in the productivity of the workforce and are therefore justified. If money is to be spent, in the view of these facts it would seem better spent on educational programs which increase our province's labour productivity than on wage adjustments which provide increased payment for no increase in output. These educational programs would also help to funnel women into job classifications that would naturally pay them higher levels of wages.

The government claims that women will benefit from this legislation. Although some women may benefit in the short term from initial pay increase, rising wages in the public sector will inevitably raise wages in the private sector. This undoubtedly was part of the purpose of the legislation. However, our concern is that this could force some organization to reduce the numbers of these jobs available to women, creating more unemployment among the very group that the legislation is attempting to help. How does a woman benefit, if her \$20,000 a year job is evaluated at \$30,000 a year, but then disappears? In the government, women who have worked hard to reach the top of their pay scale, may have their wages frozen to help to pay for the increases given to lower paid women. How does a female accountant benefit from her years of training if her wages are frozen?

We would also like to point out the experience of pay equity legislation in Australia where it was introduced in 1972. It definitely warrants scrutiny. After this legislation was introduced it was found that female unemployment in Australia actually increased and the rate of women joining the workforce decreased, along with an increase in the amount of female part-time labour. The pay equity legislation didn't help increase the wages of women; it simply forced them to take other forms of employment that were available and didn't, overall, change their situation.

Furthermore, women are provincial taxpayers and they will have to shoulder the burden of escalating provincial expenditures for increased wages. Any legislation, and I think this is very important, particularly for all the groups here, I feel and we feel that legislation which perpetuates the stereotype of women as helpless creatures needing government aid and protection is detrimental to the image of women as a whole. Women can take care of themselves and they are taking care of themselves, if given a chance.

The Provincial Government believes that a Civil Service job has an intrinsic value to Manitoba and that this value can be ascertained through job evaluation,

which is already the process used by many large firms today.

To the extent that job evaluation is used in the private sector, jobs which are important and valuable to the organization are identified and priced according to the going rate for those jobs. These rates are then used to gauge the pay for other jobs within the company. In this way, unlike Bill 53, a market relationship for wages is maintained. It should be pointed out that Minnesota which has been used as an example for this legislation uses market rates for hard-to-find jobs under its legislation.

One has to ask, are market rates important to Manitoba? We feel the answer is yes. If one considers that 36.7 percent of Manitoba's Gross National Product depends on exports, this relationship appears crucial. One need only look at the auto industry to see what happens when competitive forces are ignored. Many of our manufacturing industries, particularly industries such as the garment industry, which are heavily female dominated, are definitely going to be affected by this type of legislation.

The idea of intrinsic value is also questionable. We have to ask, value to whom? What would especially qualify a pay equity commissioner to determine this intrinsic value? How does one equate 10 points for exposure to hazardous waste to 10 points for educational background? Put another way, how does one determine the value of a Wayne Gretzky to the Edmonton Oilers? Often, it's only by the marketplace.

This concept does not consider that one employee may be more productive than another and, therefore, simply worth more to her employer. How are merit and seniority to be incorporated into the evaluation process? What happens when a person with special skills is needed and an employer must pay more to get her? Does the employer then have to give a raise to all other employees holding positions with the same number of pay equity points, or does he not pay her what she is worth and, therefore, he doesn't get a good employee? Even with the disclaimer for contract workers, grievances could obviously result.

The U.S. National Academy of Science concluded that it is very difficult, if not impossible, to apply job evaluation techniques consistently, and this is the concern. This lack of consistency is borne out by the fact that very often evaluators in the U.S. have rated the same job differently because it is a subjective evaluation.

In Iowa, rating systems have caused problems by raising some part-timers to salaries and ratings higher than full-timers and some subordinates being rated equal to their supervisors.

Another point. The government claims the legislation is meant only for the public sector and related organizations.

We would ask, if this is the case, pay equity is simply a matter of personnel policy and legislation is unnecessary. The means to do this is already within your personnel practices. As well, all references to the private sector, unique to this bill in Manitoba, we feel, should be removed.

The Pay Equity Bureau can effectively monitor pay equity advancement and educate the private sector.

Government departments should be able to effectively gauge and report themselves on the process of existing

resources within their own departments. The cost of the Pay Equity Bureau and its staff is unnecessary.

If one concedes a need to educate business in this area, the small business sector would be the primary target as large organizations already know about job evaluations and have them implemented within their organizations. We feel the Winnipeg Chamber of Commerce and the Personnel Association of Manitoba, whom we have already spoken with and have agreed to work with us, could educate the business community, using to advantage our extensive experience in the area of small business. No new Civil Service Department and positions would be necessary.

Proponents say the cost of this bill is minimal - about 4 percent of total payroll.

In the Minnesota experience, which has been used as the example so often, the cost has mushroomed to well over 10 percent of total payroll. Since the Minnesota program is only half implemented, no one is certain what the bottom line and final figures will be. Furthermore, Minnesota has a substantial surplus in its budget making it easy to pay for these increased costs. Manitoba, unfortunately, is not in this enviable position. The government should be addressing the problem of mounting deficits and unacceptable unemployment levels, rather than introducing legislation which will redirect government funds to Civil Service salaries and, we might add, to Civil Service salaries for people who are already employed.

Since disputes will be settled by arbitration, in some cases, and by the Labour Board in others, costs will rise due to the use of the court system and resulting jurisprudence. A U.S. example of the effect of this is the case where the San Jose School Board was forced into bankruptcy over the pay equity issue by a judicial decision. We do not want to see this happening in Manitoba. The unique inclusion of fringe benefits in Manitoba would also seem likely to raise the cost well beyond 4 percent.

There's a great deal of past experience in the area of pay equity legislation upon which to draw, especially in Minnesota.

So are the claims. What limited experience there is has been far from successful. Florida, Illinois and North Carolina have categorically rejected the concept in their Legislatures. The U.S. Civil Rights Commission will not hear cases based on equal pay for work of equal value. Most states studying the issue have put a disclaimer on the intended use of their studies due to an undecided case in Washington State. The Iowa experience has led to questionable compensation practices; e.g. supervisors making less than their employees.

The City of Los Angeles and the University of Yale experiences were just exercises in collective bargaining, far different from pay equity action. In Minnesota, the cost has more than tripled as the program has grown. Police and firemen have opted out of the agreement due to fear of wage compression. No reference to the private sector is made in the Minnesota law. Informally, reports have come from Minnesota saying that, for example, it is becoming difficult to recruit a secretary for the private sector because the best qualified potential employees prefer to work in the public sector, at artificially higher wages.

Pay equity is the best solution to the wage disparity between the sexes.

This, of course, is where we have our biggest disagreement with the legislation. Adequate enforcement of existing laws and education programs which emphasize career planning would provide a more productive workforce and are, hence, we feel, better long-term solutions. Another solution would be to implement pay equity oriented resource materials on compensation policy for business. This could best be done through existing employee and employer organizations.

The government claims this act will help ensure pay equity.

Since who gets the pay increases will be negotiated, the entire process will be very subjective. There is no guarantee that pay equity will be the logical result.

In his address prior to second reading, the Minister expressed the desire to redress the past ills of capitalism.

Courts have long held that the imposition of collective guilt on the descendent representatives of any group, including business, is improper. This legislation ignores this position, making today's generation of businesswomen and men responsible for the bad performance of their ancestors. We cannot be held responsible for what happened in the past anymore than this government can be held responsible for past abuses. The problem must be examined in the context of today's business and government environment.

In summary, the Winnipeg Chamber of Commerce favours equal pay for equal work. We would rather see tax dollars spent on training and education programs. You can see you've done a very good job in confusing this issue within everybody's minds. The semantics have been very cleverly used by this government to confuse us all. We would rather see tax dollars spent on training and education programs, rather than in the forms being suggested in this legislation. We would rather see enforcement of existing legislation than the creation of a new bureaucracy. We would also urge that, in future, the government include the private sector in the role of enhancing the role of women in the economic sector, rather than the use of a one-sided pay equity bureau and one-sided legislation in which private industry had no say at this time.

Thank you very much.

MADAM CHAIRMAN: Thank you, Ms. Hildebrand. Are there any questions?

Mr. Doern.

MR. R. DOERN: Madam Chairman, I would like to ask a couple of questions. One, is there was a plea by Mr. Martens for more time? And I wonder if you could indicate approximately when you became aware of this legislation, either formally or informally, and how much time you had to research your material and put this brief together.

MADAM CHAIRMAN: Mr. Martens, did you want to answer that?

MR. E. MARTENS: Well, we were aware that the government or the party was discussing the issue some three or four years ago, but we were not formally aware that the issue was going to come forward until about

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two-and-a-half months ago, at which point we appointed our task force.

It is such a horrendously complex subject that we've only started to gather the data and the information in the last couple of weeks.

MR. R. DOERN: And so, whether you agree with this in principle or in detail or not, let's just assume it's a piece of legislation. Given this legislation, how much time do you think would have been sufficient notice, and once you had notice how much time do you think would be necessary for public debate and analysis and discussion?

MR. E. MARTENS: I don't know; I'm not an expert in that area. I do know that, again, the subject is so complex that there has been very little public discussion and there's very little public understanding of the issue. Most people, when you discuss the issue, whether it's with colleague, friends or family, they believe we're still talking about equal pay for equal work and they wonder why we're opposed to that. They don't understand the next step in this of equal pay for work of equal value; and they don't understand the implications of that issue. There are very few people out there who understand the financial implications, the experiences in other sectors, in other countries.

In fact, as Darlene had said, where it has worked against those very people the legislation was meant to assist. It concerns me when people out there - and including legislators - do not appear from what they say to understand the full implications of the legislation.

MR. R. DOERN: The other question I had was concerning the Minnesota experience. I wonder if we could get any further clarification there. There were some numbers thrown around. You talked in your brief about costs mushrooming to well over 10 percent, at half the program implemented, which would seem to indicate that the total costs might run of the order of 20 percent. Is that the kind of arithmetic or logic that you interpret in this regard?

MR. J. DUBAS: If I may respond, I . . .

MADAM CHAIRMAN: Excuse me, I don't have your name for Hansard.

MR. J. DUBAS: My name is Jonas Dubas. I'm a research assistant for the Chamber of Commerce.

MADAM CHAIRMAN: Mr. Dubas, can you get any closer?

MR. R. DOERN: Can you move any closer so they can pick you up on the sound here?

MR. J. DUBAS: Under the 4 percent analysis in Minnesota, had judged the cost of the program to them would be \$40 million. What has happened in the recent years, due to the implementation since it's occurred, the cost has mushroomed to 10 percent and has now become a projected figure this year of \$250 million for that state; so that's the type of fiscal uncontrol that could very well occur.

MR. R. DOERN: Is part of that cost or a large part of that cost a bureaucracy? Was there a figure built in or impugned that, say, there would be a bureaucracy that would administer this and then they forgot about that and then this is partly the cost of adding on a bureaucracy.

MR. J. DUBAS: Bureaucracy itself was not included specifically. It was also just part of the initial cost. In the study I looked at, it was not separated. That would be part and parcel. It would seem to me any system which brings forward a bureaucracy would do nothing but expand the cost. If we look at our past history in this country alone on the cost of bureaucracy and the expansion, it would seem only logical.

MR. R. DOERN: Did you speak to people in Minnesota directly, as opposed to reading their material or corresponding?

MR. J. DUBAS: What we got was material from people in Minnesota and we talked to two of them. Specifically, directly, one of the foremost experts is considered the most knowledgeable individual in the United States on the issue of pay equity.

A DELEGATE: That's Mr. John Tice.

MR. J. DUBAS: John Tice, he came in. If you wish a reproduction of his speech, his presentation, the Chamber can send one to you. A lot of the figures are within his speech; and we can also send you a summary of what's been occurring in the States.

MR. R. DOERN: As you best understand it, what is the reaction of the people of Minnesota to this program? Do they think it's the worst program ever invented or do they think it's a great program, but it costs too much money? What is the general reaction in the state?

MR. J. DUBAS: I can't really comment on personal reaction.

MADAM CHAIRMAN: I really wonder whether that question's in order, Mr. Doern. I don't think the delegation is an expert on the opinion of the people in the State of Minnesota. It wasn't germane to their brief.

MR. R. DOERN: Well, that would appear to be a matter of opinion, Madam Chairman. This is obviously a bad example or a difficult or painful example. I was just wondering what other observations you have on the Minnesota experience. Are you suggesting the Minnesota is the typical case and that people are just not aware of the ramifications and that if we proceed with the program we're going to wind up with a Minnesota factor here?

MS. D. HILDEBRAND: What we're suggesting is that it's not clear. It starts with an interpretation and a suggestion that a cost will be a certain number and then it mushrooms and it escalates and nobody knows where it's going to end. That's the concern.

MR. R. DOERN: There have been some attempts, I believe, to put some numbers on the Manitoba program

and, as I recall them, the Minister of Labour talked about \$16 million. I think the MGEA said \$60 million. Do you have any numbers or projections as to what it might cost?

MR. E. MARTENS: The MGEA figures are correct, as far as we know. Mr. Doer is quoting the figures as per final implementation in all of the hospitals, etc. It's \$16 million only for the central Civil Service and then expanded beyond that over the four years. It takes it between 50 and 60.

Madam Chairman, Mr. Tice, if I could, did state here last week that in those states where there was not full and open public discussion on it, on the subject, they got themselves into a lot of trouble. That was the trouble in the State of Minnesota and the State of Washington, which we didn't cite here this evening either, where the costs are now upwards of \$1 billion for implementation of pay equity in that state because they didn't know what they were getting themselves into. They got into court actions on retroactive pay which is not possible here. They didn't discuss those implications. They implemented it quickly and got themselves into a lot of trouble.

MR. R. DOERN: Just on that final point then. Are you saying that now in the State of Washington, was that the State of Washington?

MR. E. MARTENS: Yes.

MR. R. DOERN: They have a billion dollar additional cost for this program per annum?

MR. E. MARTENS: I did say that we believe that what happened in the State of Washington could not happen here. There, they went to court - we can still end up in court on this legislation, but on retroactive pay and that's where the dollars really came in, the courts determined that X people were underpaid at this point in time. They then extended that and said if we're underpaid this year, we must have been underpaid for the last 10, 15 years, and the court said yes and, therefore, we decree that you must get back pay and that's where it reached the \$1 billion figure.

We're not raising that as a scare tactic here. We recognize that the legislation will not allow for that in Manitoba to the best of our knowledge.

MR. R. DOERN: My final question then is, do you think from your study and your understanding of the U.S. experience that retroactive pay will be an issue and will be a factor and will add to the costs of the program?

MS. D. HILDEBRAND: That's something that is actually an interesting question, something we haven't totally looked into, but it would seem logical if it is accepted that people are underpaid now, if in effect that is accepted as true, it would make sense that people are going to then petition for retroactive pay because they have been underpaid all this time, and since this legislation is supposed to deal with the historic discrimination and underemployment of women, that could definitely be an issue. It's not something that we are raising, but it is an interesting question.

MADAM CHAIRMAN: Any further questions? Thank you very much then.

Ms. Darlene Dziewit, Manitoba Federation of Labour.

MS. D. DZIEWIT: Thank you, Madam Chairperson, and members of the Committee.

The Manitoba Federation of Labour welcomes the opportunity to present its views on Bill 53 on behalf of the 74,000 person membership of the federation. The Manitoba Federation of Labour supports the concept of pay equity. During the past 15 years, we have been advocating and upgrading of lower pay categories and urging our affiliates to settle for straight dollar or dollar plus percentage settlements to raise the relative level of lower pay classifications, many of which have been female dominated.

Salaries of Canadian working women represented by unions are, on average, 72 percent of male salaries. This compares favourably to the general Canadian statistics of 62 percent female-to-male salary ratios. The MFL recognizes, however, that in spite of the progress made to date, pay inequities still exist in the public sector and to a greater degree in the private sector, particularly the non-union sector.

We applaud the government for their Canadian leadership in introducing pay equity legislation in the provincial public sector. Further, the government is to be commended for utilizing the collective bargaining process to implement pay equity. We further believe that time frames and commitment to designate funds over the four-year period are positive, pragmatic procedures in terms of pay equity.

The MFL, however, is disappointed at the restricted application of the proposed bill. In terms of the public sector, the federation believes that school boards and municipalities should have been included in the scope of the bill. Given the government promise - pay equity in 1981 - the necessary consultation with these two sectors should have taken place during the past four years so that the implementation of same could be included in the present bill.

The federation is further disappointed that the present bill on pay equity does not include the private sector. The shrill arguments that the marketplace - or as the previous said, market rates - that market rates should determine pay is empty rhetoric when the marketplace has produced pay for Canadian women at 62 percent for women compared to male salaries.

The MFL believes that governments should not intervene in society unless there is a demonstrated need. Surely, the average salaries of women compared to men demonstrate that the marketplace needs a positive helping hand. Pay equity legislation for the private sector is a necessary intervention given the actual performance on women's wages in the marketplace.

I'd now like to make some suggested amendments to the existing bill. Firstly, we believe the scope to be expanded to include school boards, municipalities and the private sector. Secondly, section 7(1) given the government's stated intention not to achieve pay equity for some employees at the expense of others, we believe section 7(1) of the bill is unclear. If an employer is not to reduce wages under this section, could not a third party such as the Labour Board or Arbitration Board reduce same?

Further, and more importantly, we believe that the act may allow an employer to freeze a classification of employee to implement pay equity. This is surely not the intent of the government as we all know this would cause chaos in the workplace and would retard the public consensus for fair pay equity.

The public sector affiliates of the federation do not trust the Civil Service Commission or managements of some of the Crown corporations to implement pay equity in a pragmatic way without the intent of section 7 clearly delineated, consistent with the Government Minister's verbal commitments. Therefore, we would urge the government to amend section 7(1) of the bill as follows: No employee shall have his/her wages or classification reduced in order to implement pay equity pursuant to the act.

Thirdly, section 12(2). This section defines the responsibilities of the pay equity commissioner. As the act is unclear with respect to the Civil Service as to who is responsible for negotiations on behalf of the government, we would suggest that the pay equity commissioner, in addition to other duties under the act, be responsible for negotiations undertaken between the government and the bargaining agents.

We have clearly stated previously that public sector affiliates of the MFL do not trust the Civil Service Commission. We are concerned that the philosophy of the government on pay equity will not be reflected through negotiations with the Civil Service Commission. Therefore, we urge the government in the interest of reaching agreement with the bargaining agents which is essential to the success and effectiveness of this legislation to clarify the responsibilities of the pay equity commissioner to include the duty of negotiating an agreement on the development or selection and application of a single, gender-neutral job evaluation system.

Fourthly, to dispute settlement mechanism. Notwithstanding the Manitoba Government Employee Association's position on arbitration, the federation has proposed in its past presentations to the government that a pay equity board be established to adjudicate a dispute. We believe that the Labour Board has ample statutory responsibilities without becoming embroiled in pay equity issues and disputes. We believe that a pay equity board could develop the expertise in this area and have a positive impact on the implementation of pay equity.

In conclusion, the federation commends the government on the introduction of pay equity in the public service and its implicit faith in the collective bargaining system. We would urge the government to amend the act as we have proposed so that a Manitoba model will be a working model for all the Provincial Governments.

I thank you.

MADAM CHAIRMAN: Thank you, are there any questions for Ms. Dziewit?

Mr. Filmon.

MR. G. FILMON: I wonder if Ms. Dziewit could tell us what the relationship is between the MFL and the Equal Pay Coalition of Manitoba.

MS. D. DZIEWIT: The Equal Pay Coalition is exactly that - a coalition made up of a number of groups that

are encouraging and promoting and lobbying for equal pay. I think we are one of the groups, and there are about 28 of them.

MR. G. FILMON: Does that mean that the MFL is a member of the Equal Pay Coalition of Manitoba?

MS. D. DZIEWIT: Yes.

MADAM CHAIRMAN: Are there any further questions? Thank you, Ms. Dziewit.

MS. D. DZIEWIT: Thank you.

MADAM CHAIRMAN: Mr. Herb Schulz. Mr. Schulz, do you have a written presentation?

MR. H. SCHULZ: Yes. For distribution?

MADAM CHAIRMAN: For distribution.

MR. H. SCHULZ: No.

MADAM CHAIRMAN: Okay, proceed.

MR. H. SCHULZ: Thank you, Madam Chairperson, and members of the committee and ladies and gentlemen.

Almost two years ago on another appearance before a committee of this Legislature, I stated that nothing this government could do could equal the stupidity of this government's effort to change our Constitution, thereby giving special status to one racial group and promoting racial segregation. I was wrong. I overestimated the intelligence of this government. This same government is now proposing to do something which, in its consequences, will be equally sinister and destructive.

Two years ago, this government was proposing to destroy the social peace it has taken a century to weave together. Today, with the imbecilic proposal before this committee, this government, which no longer has the grace even to be ashamed, is on the verge of destroying the economy it has taken a century to build.

What we have here, as we have had on the issue of enforced bilingualism two years ago, is another example of the havoc that can be caused when a bunch of shouters and screamers confront a bunch of gutless politicians who mistake the quantity of the noise with the quality of reasoning. As the Irish poet, W.B. Yeats, so descriptively put it in another time of troubles, "the centre cannot hold. The best lack all conviction, and the worst are filled with passionate intensity."

Essentially, what we have in this proposed legislation is a celebration of obsessive self-interest, totally unrelated to the interests of the general society. Yet possibly the opposition is supporting this proposal because, like this government, it has allowed itself to have been misled by the pollsters. Even a casual observer of the political scene during the past decade must be overwhelmed by the fact that political parties today do not act on the basis of certain fundamental principles which they submit to the electorate and on which they are prepared to stand or fall, thus providing the essential basis for democracy.

Instead, we now have the gnomes of the communications offices, the political technicians, the

social engineers dissecting the polls much like the ancient soothsayers examined the entrails of sheep to divine the future. What we have is "government by Gallup." There are, of course, those who justify this on the grounds that, by polling, they are simply divining the will of the people, and that in a democracy people deserve to get what they think they want, good and hard.

Perhaps, but there's a major flaw in this argument. How do we know what the polls are really saying? Among computer programmers there is an expression, "garbage in equals garbage out", similarly with polls. The response depends on the question. Let me give you a few examples.

A member of this government once announced a poll had been done showing 70 percent of the people of Manitoba supported the government's position on the French language issue. Now what was the question that was asked by the pollsters to elicit that response? Was the question, "Are you in favour of your children learning a second language?" If so, since most Manitobans are bilingual, it is surprising only 70 percent responded affirmatively. However, what would have been the response if the pollster had asked: "Are you in favour of changing our Constitution, making Manitoba officially bilingual?" The Government of Manitoba received the public response to that question, the correct question, in the plebiscite in October of 1983.

Another member of this government has suggested the polls show most Canadians favour abortion. So we know the answer, which happens to please that particular member, but what was the question? Did the pollsters ask: "Do you believe that under certain circumstances and under licensed conditions, abortion should be available?" To that question, presumably, most Canadians would answer yes. But that's not the real question, is it? The real question, as it has been defined by those who support it is: "Do you believe that abortion on demand should be used as another method of birth control, and should be available at storefront, drive-in abortion centres?" For the Government of Manitoba, it showed that it knew the answer to that question when it refused to license Dr. Morgentaler's abortion clinic.

Another member of this government has led us to believe most Canadians favour sex education in the schools, but what question was asked to get that answer?

MR. DEPUTY CHAIRMAN, D. Scott: Mr. Schulz, we're dealing with Bill No. 53, The Pay Equity Act. You have been speaking for a few minutes now. You have, I don't believe, yet mentioned the act. I would . . .

MR. H. SCHULZ: I assure you, I will.

MR. DEPUTY CHAIRMAN: Order please.

The purpose of a committee is to hear submissions on bills, not to go into a harangue on the government or whatever else. I would ask the guest of the committee to address his questions and address his comments toward The Pay Equity Act.

The Leader of the Opposition, the Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, I believe that the delegate is using examples to prove a point. That has

been done by people over and over again. He has a certain time limitation in appearing before this committee. That's enough constraint over what he can present.

I think you're exercising your prerogative a little too strongly. Perhaps we should bring back the former Chairman.

MR. DEPUTY CHAIRMAN: No, not at all.
The Minister of Labour.

HON. A. MACKLING: While I sympathize, Mr. Chairperson, with your concern that the remarks should relate to the bill before the committee, I think that we have accepted in the past a reasonable degree of tolerance in respect to presentations. Given the fact that there has been a wide-ranging reference by earlier speakers, I think this speaker should be allowed the same latitudes.

MR. DEPUTY CHAIRMAN: Mr. Schulz, if you would address your comments toward the . . .

MR. H. SCHULZ: Mr. Chairman, may I ask how much time do I have?

MR. DEPUTY CHAIRMAN: There is no specific time limitation, Mr. Schulz.

MR. H. SCHULZ: Thank you.

Let me repeat what I was saying before I was interrupted. Another member of this government had led us to believe most Canadians favour sex education in the schools, but what question was asked to get that answer? Was the question: "Do you think schools should provide basic information on sex and family life?" To that, presumably most people would agree, but that is not the relevant question, is it? What would be their answer if the question was: "Are you in favour of a school course from Grades 4-9 inclusive which includes, whether in the class material or as teaching notes, that a man's left testicle hangs lower than his right; that a woman's nipples harden when aroused, and so do 60 percent of men's nipples; that stimulation of the clitoris gives greatest pleasure to a woman; that men with short penises need not worry because a woman's vagina has nerve endings in only the first three inches; that oral-genital sex means stimulation using the tongue or mouth on the genitals of the partner; and that decision-making consists of deciding to masturbate and with whom to have sexual intercourse?"

What would the sensible parents answer if they were asked if they approved of that program? Yet, this is the program that has been smuggled into the St. Vital School Division in the guise of family life education. What will Manitoba parents say to that when they find out?

Now what is the message of the polls on this issue, Mr. Chairman, currently before this legislative committee? Walk down a street, any street, and ask 10 persons, any 10 persons. Ask them if they support the concept of equal pay for equal work. At least nine of them will tell you that they do.

Technology has wrought a sea change in our society and economy since War World II. One of the ironies

of war is that it breeds innovation and technical advance. As an example, in 1939, my father had 15 employees on our farm. By 1945, with the farm remaining the same size, we had only two employees. As the young men left to join the military services and the young men entered the factories to become Rosie the Riveter, machinery replaced them down on the farm. So it was, everywhere. But machinery not only displaced people, it also radically changed the nature of work. With phenomenal speed, much of our workforce moved from the primary through the secondary into the service centre. That used to be called the white-collar sector, but it's now apparently called the faded-jean sector.

In one generation, we move from hard physical labour, which placed a premium on physical strength and therefore on men, to the handling of machinery and equipment which required the ability to relate, to associate and manual dexterity. At this, women soon proved themselves as good or better than men. Half-a-century ago, Rosie the Riveter broke the gender barrier and proved that, in the technological milieu, she was as competent and could perform as well as any man. Her daughters took up the cry of equal pay for equal work. The general public recognized it as nothing more than equity and plain common sense.

So then, if that is the case, why am I here and why am I critical? Because what I have just described is not the issue before this committee, is it? What we have here is a totally different animal. The reason nine out of 10 persons on the street, if polled, would immediately support what they believe in before this committee is because they do not have a clue what is actually before this committee. I suggest, there may be MLA's in this Legislature who do not understand what is being proposed here.

In fact, by taking just a little bit of liberty one could say that never, in the field of human debate, has so much been said by so many on an issue about which they knew so little. What is being proposed here is not equal pay for equal work, as people believe, but an entirely new monstrosity called equal pay for work of equal value. It is here not because it represents equity or because it makes any sense, but because this government thinks it will win the feminist vote. This monstrosity has managed to make it into the Throne Speech in Ottawa and in Ontario, because so many of our politicians have learned the art of buying the support of special interest groups with other people's money, and because so many of our opinion makers on whom the public relies for information are no longer capable of distinguishing between liberalism and lunacy.

Here is an example of the work of one of these opinion makers. On May 10, 1985, the Winnipeg Sun carried an editorial on this issue. On June 24, Mr. Ed Martens, President of the Winnipeg Chamber of Commerce, replied with a letter to the Editor stating the editorial had made the cardinal error of confusing this new nostrum, equal pay for work of equal value which is ludicrous, with the old policy of equal pay for equal work. Then he explained that these two totally different concepts are not synonymous and are not interchangeable. The Sun responded by publishing his letter. However, the banner headline they put over Martens' letter read, "Equal pay for equal work." I suggest this indicates they either maliciously decided to confuse the issue or, even worse, they were too

confused to understand the issue. In any case, with their headline, they completely nullified what Martens was attempting to explain.

Why do the people on the street not know what this government is actually proposing? Because this government is not telling them. Why is this government not telling them? Because this government is afraid to tell the people of Manitoba what it is really doing. That is, of course, not unusual for this government. It is within easy memory of everyone in this room when this government attempted to change our Constitution by making Manitoba officially bilingual, but is that what they told the public? Of course not. They told the public, including their own supporters, that they were merely restoring French rights. They even seduced two party icons, Stanley Knowles and Tommy Douglas, into endorsing that piece of putrid prevarication. As reported in the Dauphin Herald at the time, John Plohma told his constituents at Dauphin that the government is not changing the Constitution.

The reason the government did not tell the people of Manitoba what it was really doing is because they knew that would not be supported, not even by their party members. Well, it is likewise here. Sensible people will not support this when they learn what it means, not even party members. Therefore, the political technicians, supported by the image makers that have been hired by the score, have concocted a euphemism. They call this silly concept "pay equity." That's even the title of the bill.

Why do they call it pay equity instead of what it really is? Well, the Winnipeg Free Press on June 6th reported: "One government source said the bill implements the sometimes controversial concept of equal pay for equal work, although the government prefers the term "pay equity" because it received greater approval in polling." So now we know.

Now we know that the gnomes in the communications offices have come up with another buzzword. Now we know that this government has learned nothing. They think they can sneak another piece of lunacy past the public by pretending it is something else.

But that is not enough. They are afraid someone might see the ruse and expose them. They are terrified the general public may understand what is really being proposed here. Therefore, they have developed another disguise. They are selling this piece of lunacy on the grounds that it will provide equity for women. That is supposed to coerce us into silence like other sacred cows that have been recently created - multiculturalism, aboriginalism, bilingualism - which we dare not attack for fear of being damned as racists and bigots and rednecks and French haters. This piece of lunacy is being peddled in the guise of gender equity, so that anyone criticizing it will immediately be demolished as a chauvinist pig and woman hater.

In point of fact, this sinister concept has nothing to do with women per se. It has a great deal to do with people who see themselves as losers. It has become the war cry of those who want to reap where they have not sowed, and want to be paid wages that they have not earned.

The old concept of equal pay for equal work, authentic pay equity, meant that, if a woman was doing the same work as a man, she should receive the same pay. The new concept means that anyone, man or woman, not

satisfied with the pay while doing a particular job will no longer aspire to move up the career ladder to a better paying position, but will demand that the job be reclassified so that it will pay as much as some other job.

But what other job? Well that depends on how important you would like to think your job is. What is the procedure for having the value of your job increased? Of course, you apply to the Job Evaluation Commission and, since there is a big job to be done there, there will of course be many such commissions with many people on them. Soon our only growth industry will be evaluating the value of the jobs of others. In a few years, half the people of Manitoba will be on commissions telling the other half how much they should earn, and of course that's precisely what our economy needs - more bureaucrats.

Does any sane person really believe that sensible people out there who will now be required to carry another tier of bureaucrats will buy this? Of course not. As this government discovered to its sorrow two years ago, most people are capable of distinguishing between reality and fantasy. That is why this government has cleverly disguised this monstrosity with the buzz word of "pay equity" and that is why this government would like us to believe it is designed to help women. Well, it is not. It is designed by and for people who are slowly drifting into a fantasy world and who believe that they can escape any and all of the disciplines of the marketplace.

The real evil here, the real tragedy, is not that some people, some special interest groups are asking for something they cannot have. That has always and will always be the case. The real tragedy is that, at this point in our history, we have a government which has been motivated by an effort to escape reality as though governed by some dementia, has promised to give it to them.

The essence of this new and novel concept is that some jobs are of equal value to other jobs and should therefore have benefit at equal pay. Fine. But which job is worth as much as which other job? Well, these new commissioners will argue, we will judge which jobs contribute as much to society as other jobs but, again, which other jobs? How do our noble and no doubt highly motivated commissioners assess, in a complex urban industrial economy, who is contributing as much as who else? Until now, that question has been answered by what people will pay for a particular job or by what a person doing a particular job can extract, either through specialization or through organization.

To date, this has been determined by mobility, which in turn has been determined by increased education, self-improvement or bargaining. But now we must decide, in an artificial way, what is worth as much as what else. That can cause problems. For example, we know that doctors are important because we consider dying as being bad for our health. As a result, doctors' jobs have a high value. and when we hear rumours of a doctors' strike, we panic. However, my nightmare concerns a strike of plumbers. Can you imagine the consequences to the residents of the high rise towers on Roslyn Road or Nassau if plumbers decided to go on strike? So surely that means that plumbers' jobs are of equal value to that of a doctor. But that raises another problem for our worthy commissioners. To what

doctor do we compare plumbers? There are doctors earning \$75,000 a year and there are doctors, the specialists, earning \$250,000 a year, so which doctor is the plumber of equal value to? Well, you ask any self-respecting plumber and he will tell you he sees himself as a specialist.

Or let us take that place that everybody loves to hate, the bank. Today we have in banks, as in most other places, a hierarchy of division of labour from manager to janitor. The manager seeks opportunities to retire in the style that he or she wants to become accustomed to and the janitor seeks job openings so that he or she can improve his or her position and pay. Failing that, they get together with others in the same trade and bargain for improved pay.

However, once this new law is enacted, this will change. We must understand that there is a dynamic at work here. Those on these new pay equity commissions will be looking for something to do in order to prove that they are necessary, something like Mayor Norrie's Race Relations Committee, which appears to want to be a commission but cannot find anything to do, so it must whip up some interest.

Similarly, some operator from the pay equity commission will approach the janitor at the bank and approximately the following discussion will ensue. Commissionaire to Janitor: "What are you being paid?" Janitor: "\$6 an hour." Commissionaire: "Would you like to be paid more?" Janitor: "Twice as much." Commissionaire: "Only twice as much? How much does your bank manager get paid?" Janitor: "About four times as much as I get." Commissionaire: "Do you think you should be paid as much as your manager?" Janitor: "Oh, no." Commissionaire: "Why not?" Janitor: "Because the manager has more responsibility." Commissionaire: "But if you did not keep this place clean, people would not come here to do business and your bank manager would be fired or get a decreased pay." Janitor: "Well, perhaps." Commissionaire: "But if that is the case, do you not now believe your work is of equal value to that of the manager and therefore you are entitled to the same pay?" Janitor: "Now that you have explained it all to me, absolutely. Where do I sign the application form to schedule a hearing before the pay equity commission?"

And if anyone considers this scenario improbable, all we need to do is look at agencies such as, for example, our Human Rights Commission, who I understand might be in charge of this. Here we have a noble idea that has been turned into a sick joke because when bureaucrats cannot find anything sensible to do, they will do anything. Thus we have the famous case of the Human Rights Commission chasing the racial squad hog and the Safeway beard.

However, my point is that, is the janitor who takes pride in his work and keeps the bank clean not worth at least as much as the manager who has just mismanaged the bank into bankruptcy and cost the janitor his retirement pension? Again, my point is that in an integrated economy, what jobs are of equal value to what other jobs? Could it not be argued that without some people doing their work, others would not be able to do their work? In other words, could it not be argued then, in an urban industrial economy, everyone's work is of equal value to everyone else's work?

So how do we differentiate? To date, we have left it to the market, modified by bargaining, and by the relative opportunity to achieve economic mobility. Now we are proposing to leave it to a group of bureaucrats who, by the very fact of their positions will be isolated and insulated from the realities of the marketplace.

So how do we decide? What criteria will apply? In theory, in an industrial economy, is the work of the ditch digger up to his knees in mud, putting sewer into a new industrial complex, not worth at least as much as that of the president of the corporation that occupies that site?

Is the work of the mechanic repairing the tracks of a Caterpillar tractor with his hands blistered and covered with grease not worth at least as much as that of the clean dressed person who drives it? Does the work of the secretary who cheerfully lies that her Minister is out of town not worth at least as much as her Minister who hides in his office because he is afraid to come out and meet a constituent?

It is not surprising that this government should adopt this preposterous proposal. After all, this government operates on the basis of unique principle. If it works, change it. But others are also supporting it. We've just heard some of them; and it has been reported that Gary Doer, President of the Manitoba Government Employees' Association supports this proposal and claims it would cause no administrative problems, as it has been done in the Civil Service for some time. That is one of the reasons I am critical of it, because I have seen how it is administered in the Civil Service.

Furthermore, is this why, because of this system, that the Federal Auditor-General reported last year that 30 percent of the Civil Service is overpaid, because they are overclassified, and that this is costing the taxpayers about \$125 million in excess in unearned salaries.

I am informed Gary Doer has further buttressed his support for this proposal by stating it has been adopted in a number of American cities; but perhaps Mr. Doer neglected to inform you that several American States have dropped it and that several months ago the American Civil Rights Commission called equal pay for work of equal value, "an unsound and misplaced concept" and recommended it be stopped.

Perhaps Mr. Doer neglected to inform you that because of this mindless effort to escape the market the United States last year had a trade deficit of about \$130 billion. In effect, the United States has priced itself out of the world market.

Let us look at a concrete example of how this monstrosity will be administered. Several months ago, a newspaper carried a full page article on this issue. It reported that most people understand the concept of equal pay for equal work, but how does one measure the new concept of equal pay for work of equal value? And then they wrote, "Norman Wills of Washington State can do it. Armed with a bewildering array of charts filled with row after row of numbers, Wills says, in fact, he can compare the value of any two jobs on earth." So how does he do it? With the aid of his "bewildering array of charts" he has decided a secretary is worth as much as a carpenter. However, he finds that the secretary is paid only \$619 a month while the carpenter is paid \$1,654 a month, so what to do? Of course, there's only one answer. You increase the secretary's salary by \$1,035 a month so she will receive the same salary as the carpenter.

Now, any sensible person must immediately ask two questions. No. 1, why the imperative to increase the secretary's salary instead of reducing the carpenter's salary? The second question, who sets the carpenter's salary? Okay, let's look at the answers.

In the first place, the answer to the first question is, yes, salaries can only go up; they can never go down. I believe that's right in the act, and if it isn't in the act now it's just been suggested by the previous speaker. The answer to the second question is that the carpenter's salary is set by the marketplace. Now then, therefore, the equal pay commission will find high paying jobs with salaries set by the marketplace and then administratively increase lower salaries to match them.

This, to some people, apparently makes sense. I suggest to sensible people it is a monstrosity. I suggest it shows that unlike our parents, who built this economy, we have developed an obsession for introspection. I suggest this shows how far we have gone in one generation from being nation builders to being navel gazers.

Thank you, Mr. Chairman.

MADAM CHAIRMAN, M. Phillips: Are there any questions?

Mr. Doern.

MR. R. DOERN: This example of charts and graphs, I didn't get who had this wonderful ability to do so. It sounds like Mr. Krueger, who had some sort of a chart for world peace in Manitoba. Who was this person?

MR. H. SCHULZ: Madam Chairman, I don't know what his position is. He is in the State of Washington. I believe he's a member of some organization that has been working on this idea of equal pay for work of equal value, and in order to prove his point he has drawn up innumerable charts and graphs so that he can compare any job with any other job.

MR. R. DOERN: The other question for Mr. Schulz, it sounded like one of his conclusions - he had a whole series of points and conclusions - was that the net effect of this proposal is a round of inflation that may impair. First of all, of course it will cost taxes and there'll be a problem in that area; but secondly, it may impair our ability to compete. But is inflation one of your concerns?

MR. H. SCHULZ: If we were living on an island or if the entire world that we have to deal with were operating on the basis of the same system, then possibly it could be done. As it is, where we are highly dependent on the export market, to do it is sheer lunacy. You can't just entirely, relative to nothing else, take a whole tier of jobs and raise the pay. It can be done, but there's going to be a price paid and I would think that anybody should be able to see that.

MR. R. DOERN: The other point is that I gather another one of your conclusions and main points is that this will set off an endless round of reclassifications and a great deal of energy will go into establishing study teams and researchers and printers who will print forms and people will be filling out and going to hearings and

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making cases and sending in resumes, etc., all for the purpose of reclassifying their positions.

MR. H. SCHULZ: The Civil Service will be in its glory. Besides, that's not necessarily all bad.

I mean we have one growth industry now translating laws that nobody is going to read; possibly we need a second one. We can reclassify all the jobs, but don't ever think for a moment that this is going to be confined to the public sector. The same people who managed to frighten the government into accepting it will then move on into the private sector, and let me suggest that no sane person is going to predict what the cost of this is going to be. There is no way of predicting what the cost is going to be.

MADAM CHAIRMAN: Any further questions?

MR. R. DOERN: Thank you.

MADAM CHAIRMAN: Thank you, Mr. Schulz.

MR. H. SCHULZ: Thank you.

MADAM CHAIRMAN: Mr. Doug Machan, from the Manitoba Health Organization. Is he not here? Are there any other delegations wishing to make a presentation? Seeing none, we'll move on to consider the bill.

HON. A. MACKLING: We have some amendments, Madam Chairperson.

MADAM CHAIRMAN: Just one moment. How do we wish to proceed? Page-by-page or clause-by-clause?

HON. A. MACKLING: Page-by-page. I will draw the attention of the committee on the amendments. I have given a copy of the amendments to the Member for La Verendrye.

MADAM CHAIRMAN: We'll proceed then. Pages 1 to 5 were each read and passed.

Page 6 - Mr. Mackling.

HON. A. MACKLING: On Page 6, section 4 of the bill, and I'll read the motion. I move, seconded by the Honourable Minister of Co-operative Services,

THAT section 4 of Bill 53 be amended

(a) by renumbering the section as subsection (1) thereof:

(b) by striking out the word "In" in the 1st line thereof and substituting therefor the words "Subject to subsection (2) in"; and

(c) by adding thereto, immediately after renumbered subsection (1) thereof, the following subsection:

Saving provision for equal pay for equal work.

4(2) Nothing in this act limits or abrogates any obligations of employers or other persons, or any rights to which employees are entitled under sections 39 to 43 of The Employment Standards Act.

By way of explanation, Madam Chairperson, the provision is there probably for an overabundance of caution. The Pay Equity Act does take primacy over

all other legislation as provided by a section in this act. The concern was that The Employment Standards Act does have those provisions in respect to equal pay for equal work, and we certainly didn't want to eliminate that in this bill. That's the rationale for that change.

MADAM CHAIRMAN: Is that agreed? (Agreed) - the Honourable Minister.

HON. A. MACKLING: The next one is an amendment to clause 5(2)(e). I'll read that.

I move, seconded by the Honourable Minister of Northern Affairs

THAT clause 5(2)(e) of Bill 53 be amended by adding thereto, at the end thereof, the words "or the regulations".

By way of explanation, it just adds those words "or the regulations" to the section to make it clear that provisions apply, not only to the act but regulations as well, and I so move.

MADAM CHAIRMAN: Is that agreed? (Agreed). Are there any further amendments to Page 6?

HON. A. MACKLING: No.

MADAM CHAIRMAN: Page 6, as amended—pass; Page 7—pass.

Page 8 - the Member for Kirkfield Park.

MRS. G. HAMMOND: On 6(1) there was a recommendation, I believe, in one of the briefs that it be more definite, that one of the plans be specified. The question I had to ask is, if there's more than one bargaining agent, and I think there is for the different areas, will they all be working under one plan or will they be going under say the Aikens one, the Willis one, the Hayes; how exactly is this going to work?

HON. A. MACKLING: The agreement on the type of plan to be employed is something that will be the subject of negotiation and, if they fail to agree, then it'll be subject to arbitration. There are differences in plans and there are differences in the way a plan may be used. It is considered democratic and reasonable that the parties look at the plans that have been employed elsewhere, look at alternatives that they might agree upon and employ that; but, in determining the plan, there will be these criterion, skill, effort, responsibility, normally required and the conditions under the work is employed. As far as I'm given to understand, all of the plans that have been employed do recognize these criterion.

MRS. G. HAMMOND: So what the Minister is saying then, Madam Chairman, is that each union could conceivably have a different plan?

HON. A. MACKLING: Yes, that's possible. You see, the equity has to be in the workplace. One external agency may have a different plan than a Crown agency. They may have different plans, but if there are two or more bargaining agents in the one workplace, you know it has to be one plan.

MRS. G. HAMMOND: I wanted to question, then go on to 7(3). That was the adjustment during four

consecutive 12-month periods where it was suggested that it was too long. My question is what happens if there isn't pay equity in that time? What happens to the employee in this case?

HON. A. MACKLING: Well, Madam Chairperson, in answer to that we believe that it's possible to attain pay equity in the period set out there. If that is not possible then, of course, we're going to have to address that at a subsequent sitting. We believe that, from the information we have, that we should be able to attain that pay equity within the four-year period.

MRS. G. HAMMOND: If it's possible that it's not attainable, why is it in there if you're going to continue it in any case?

HON. A. MACKLING: It's in there because we believe it is attainable within that period. It clearly indicates the magnitude of the cost we anticipate; 1 percent of payroll for four years.

MRS. G. HAMMOND: I guess that doesn't really answer the concern. If the pay is limited to 1 percent, then I don't — (Interjection) — understand . . .

HON. A. MACKLING: No, no. I think the honourable member may have been misled by one of the briefs which seemed to imply that for particular employees they are limited to a 1 percent increase. That isn't the intent at all. It's 1 percent of the total payroll is available for implementation of pay equity. There are only going to be - I shouldn't say a relatively small percentage - far less than the total payroll will be involved in pay equity. It's certainly anticipated that, in some instances, the percentage increases for individual females may well be 10, 15, 20 percent in some cases, and that will be attained in the four-year period.

MRS. G. HAMMOND: Okay, I'm sorry, I did understand that. What I guess I'm saying is that I don't understand why the Minister felt there was a necessity to put a limitation on four consecutive 12-month periods when he felt that the pay increase would take care of itself in any case. I don't understand why the limit is on.

HON. A. MACKLING: I repeat for the honourable member, it is our expectation that, as I indicated in my speech and I think is reflected by the brief by the Manitoba Government Employees' Association, there has been a greater narrowing of the gap as a result from the principles of the union in their bargaining with the Manitoba Government in the past number of years. They have effected a narrowing of the wage gap. It's still, of course, not adequate but it is better than the national average and so much so that we expect that we'll certainly be able to attain pay equity within the four-year period.

As I've indicated, if that is not attainable, of course, naturally we would have to look at reconsideration of that but we believe it is possible and that's why it's there.

MADAM CHAIRMAN: Page 8—pass; Page 9—pass. Page 10 has an amendment.

HON. A. MACKLING: Yes, Madam Chairperson, I move, seconded by the Honourable Minister of Co-operative Services,

THAT clause 9(1)(c) of Bill 53 be amended by adding thereto, immediately after the word "the" in the 2nd line thereof the word "quantum".

MADAM CHAIRMAN: Is that agreed? (Agreed)

HON. A. MACKLING: The next one is an amendment to 10(1) of Bill 53.

I move, seconded by the Honourable Minister of Northern Affairs,

THAT subsection 10(1) of Bill 53 be amended by striking out the word "commission" in the 4th line thereof and substituting therefor the word "government".

MADAM CHAIRMAN: Is it agreed? (Agreed)
Page 10 as amended—pass; Page 11.

HON. A. MACKLING: Page 11. I move, seconded by the Honourable Minister of Co-operative Services, THAT subsection 10(6) of Bill 53 be amended by striking out the words and figures "Subsections 113(2) and sections" in the 1st line thereof and substituting therefor the word and figures "sections 113,".

MADAM CHAIRMAN: Is that agreed? (Agreed).
Page 11 as amended - the Member for Kirkfield Park.

MRS. G. HAMMOND: I have a question on 10(3). It was suggested there that it states where the government fails to implement wage adjustments required by this act, the executive director of the association may refer the matter to arbitration. It was suggested that the change should be "shall". I wonder if the Minister could explain why the word "may" is in there.

HON. A. MACKLING: Well, obviously there is an accountability of government in respect to pay equity. I'm sure that given the fact that a report must be filed to the Legislature, I'm sure that it'll put sufficient pressure on any Minister to ensure that if there is any matter that is unresolved, it will be referred to arbitration; in this particular case, to ensure that it is completed.

A MEMBER: The commission can't order the union to do something.

MRS. G. HAMMOND: Just another question. I mentioned it when I spoke on the bill, and it was something that someone had brought to my attention, which is hospitals. When the pay equity was enforced and there were wage adjustments, the government would also be funding the fringe benefits which would go up at the same time as the salaries.

HON. A. MACKLING: I'm sorry, I was interrupted. What was that?

MRS. G. HAMMOND: It was to do with hospital funding, in particular. When there are wage adjustments, there

are also increases in fringe benefits. Would the government be funding all pay equity when it came to the hospitals?

HON. A. MACKLING: It's understood that there are existing collective agreements, for example, in some external agencies, in some Crown corporations and there will be. The pay equity initiative will not be affected by those agreements to the extent that there are any benefits that are won through the collective bargaining process. They are separate and apart from the pay equity initiative.

MADAM CHAIRMAN: Page 11—pass, as amended. Page 12 - Mr. Minister.

HON. A. MACKLING: Page 12. I move, seconded by the Honourable Minister of Northern Affairs,

THAT sub-clause 10(7)(b)(i) of Bill 53 be amended by adding thereto, immediately after the word "the" in the 1st line thereof the words "quantum and".

This is consistent with the other change, Madam Chairperson.

MADAM CHAIRMAN: Page 12, as amended—pass. Page 13.

HON. A. MACKLING: Page 13, Madam Chairperson, I move, seconded by the Honourable Minister of Northern Affairs

THAT clause 12(2)(a) of Bill 53 be struck out and the following clause be substituted therefor:

"(a) in consultation with the commission, initiate and oversee

(i) the negotiations to be undertaken by the commission respecting the implementation of pay equity, and

(ii) the actions required to be taken by employees of the commission and by administrators of government departments to implement pay equity in accordance with agreements reached with bargaining agents or orders made by an arbitration board; and"

The explanation on that is that the previous section covered this but the executive director did not, as the section had been prepared before, initiate and oversee the negotiations. This confirms that the executive director has that role as well as the overseeing of the

actions required to be taken, etc., which was in the original draft in the bill as prepared.

MADAM CHAIRMAN: Is that agreed? Page 13, as amended—pass; Page 14—pass . . .

HON. A. MACKLING: On 15, there is an amendment, Madam Chairperson. I move, seconded by the Honourable Minister of Northern Affairs,

THAT clause 14(1)(c) of Bill 53 be amended by adding thereto, immediately after the word "the" in the 2nd line thereof the word "quantum,".

MADAM CHAIRMAN: Is that agreed? Page 15, as amended—pass; Page 16—pass. Page 17 - Mr. Minister.

HON. A. MACKLING: I move, seconded by the Honourable Minister of Northern Affairs,

THAT clause 17(2)(a) of Bill 53 be struck out and the following clause be substituted therefor:

"(a) initiate and oversee

(i) the negotiations required to be undertaken by the entities or agencies, and

(ii) the actions required to be taken by administrators of the entity of agency to implement pay equity in accordance with agreements reached with bargaining agents and employee representatives or orders made by the board; and.

MADAM CHAIRMAN: Is that agreed? (Agreed) Page 17, as amended—pass. Page 18 - Mr. Minister.

HON. A. MACKLING: Page 18, I move, seconded by the Honourable Minister of Northern Affairs,

THAT clause 18(4)(a) of Bill 53 be amended by adding thereto, immediately after the word "agency" therein, the words "and the gender distribution of those employees".

MADAM CHAIRMAN: Agreed? (Agreed) Page 18, as amended—pass.

Page 19—pass; Page 20—pass; Schedule A—pass; Schedule C—pass; Title—pass; Preamble—pass.

Bill be reported—pass.

Committee rise.

COMMITTEE ROSE AT: 11:27 a.m.