

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON INDUSTRIAL RELATIONS

Thursday, March 1, 1990.

TIME — 10 a.m.

LOCATION — Winnipeg, Manitoba

CHAIRMAN — Mr. Parker Burrell (Swan River)

ATTENDANCE - 11 — QUORUM - 6

Members of the Committee present:

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

WITNESSES:

Mr. Al Cerilli, Canadian Brotherhood of
Railway, Transport and General Workers
Mr. Robert Olien, Private Citizen
Mr. Paul Williamson, Private Citizen

MATTERS UNDER DISCUSSION:

Bill No. 31—The Labour Relations
Amendment Act

* * * *

* (1005)

Clerk of Committees (Ms. Patricia Chaychuk-Fitzpatrick): Order, please; order, please. Will the Standing Committee on Industrial Relations please come to order?

I have before me the resignation of Mr. Helwer as Chairperson of this committee. Are there any nominations for the position of Chairperson? Mr. Patterson.

Mr. Alan Patterson (Radisson): I nominate Mr. Burrell.

Madam Clerk: Mr. Burrell has been nominated. Are there any further nominations? If not, Mr. Burrell is the Chairperson. Will you please take the Chair?

Mr. Chairperson: Order, please. This morning this Standing Committee on Industrial Relations will resume hearing public presentations on Bill 31, The Labour Relations Amendment Act.

I will shortly read off the names of the presenters from where we left off yesterday. If there are any members of the public who wish to check and see if they are registered to speak to the Bill, a list of presenters is posted outside the committee room. If members of the public would like to be added to the list to give presentations to the committee, they can contact the Clerk of the Committee, and she will see that their names are added to the list.

If we have any out-of-town presenters who have to leave shortly, or any presenters who are unable to return for subsequent meetings, please identify yourselves to the Committee Clerk, and she will see that your names are brought forward to the committee as soon as possible.

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

Mr. Steve Ashton (Thompson): I suggest we go until 12 or 12:30, depending on how many presenters we have on the list.

Mr. Chairman: Agreed? Agreed.

Mr. Dennis Atkinson, Mr. Bruno Zimmer—

An Honourable Member: What number are we at?

Mr. Chairman: Seventy-four is where we start. Mr. Paul Williamson, Mr. Robert Hilliard, Mr. Al Cerilli—he has a written presentation. The Clerk will pass it out to everyone. Mr. Cerilli, you can go ahead any time you are ready.

Mr. Al Cerilli (Canadian Brotherhood of Railway, Transport and General Workers): Thank you, Mr. Chairperson. Good morning, Members of the committee. I want to express my appreciation to have the opportunity of presenting our views to your committee on this very important matter.

The Canadian Brotherhood of Railway, Transport and General Workers represents employees in federal and provincial jurisdictions, small companies and large corporations. The workers are involved in service industry, health care, the hotel industry, marine, fisheries and all modes of transportation.

Our union's objectives are outlined in our constitution and have been in force since 1908, and I quote in part: "To establish through the process of collective bargaining, the highest possible wage standards and improvements in the conditions of employment for these workers; to secure legislation which will safeguard and improve the economic security and social welfare of workers, protect and extend our democratic institutions and civil rights and liberties, thereby perpetuating the cherished traditions of our democracy; to strive within the confines of the brotherhood and all agreements entered into by it for recognition that race, nationality, religion, age, sex, marital status, sexual orientation, physical handicap and matters relating to employment are prohibited grounds of discrimination and therefore are unacceptable to this union and its members."

* (1010)

The history of the Canadian Brotherhood of Railway, Transport and General Workers' legislative action was, in some areas, just to name a few, to preserve our environment when the corporate business community influenced Government policy and legislation on the management of our hazardous wastes. It was during the time when transportation of dangerous goods legislation was only an idea and opposed by the business community as an infringement on their rights to move as they wished. It was during the time when passenger train services united this country. It was also during a time, as it is presently, when certain interests and forces are in the process of dismantling this country.

It was during the time when farmers were and are still being threatened by abandonment of railway branch lines to shorten their haul of wheat to the markets and expose them to higher costs. It is at present when rural Canada is being torn apart. It was during the time when the truck and highway transportation legislation on hours of work and safety was opposed by the business community, not only the truck companies, but the manufacturers and shippers.

It was during the time when our union stood alone against the American influence of gangsterism on the waterfront of this country. That was the Liberals' sweetheart of Canada, Hal Banks. I could go on, Mr. Chairperson, regarding the many legislative fronts that our union has fought alone on and with other labour unions that have contributed to benefit Canada as a whole. My point is, that through the means provided in our legislative and parliamentary arenas, the truth of benefiting all working people has always triumphed.

On the issue before you today, Bill No. 31, an Act to repeal final offer selection, the Legislature is being influenced by the narrow and shallow approach the business community is taking. We want to point out the dangers in the business community's approach if you accommodate their wish by repealing the final offer legislation. The confidence of working men and women in Manitoba is shaken by this Government's insistence, supported by the Liberals, that you must repay the business community for whatever favours they may have bestowed on you by repealing final offer selection.

There is a new era throughout the world, of tolerance by the Governments in the extreme left and the extreme right to allow human freedoms to flow and evolve. Those Governments primarily are allowing new methods of communicating, regarding the resolution of their disputes, that benefit society in the movement toward the 21st century. This approach has opened under the new era of co-operation rather than confrontation. The business community in Manitoba has given the appearance, by demanding that this piece of legislation be repealed, that labour is to blame for all of its problems, may they be financial or otherwise. In fact, the shallow approach to labour relations is reminiscent of the dominance of workers in a servant-master society concept. What the business community wants for themselves, they do not wish for other partners of our society, that is, the working people of Canada and Manitoba.

Let us examine the facts, Mr. Chairperson and committee Members. The business community is only

paying lip-service to the needs of environmental laws. Their open opposition to Workers Compensation laws is an area that also has working men and women concerned about their influence on government. The business community has shown little progress, as other countries have, toward the modernization of labour laws. Yet, we go around bragging about the European experience and the German experience, the Japanese experience. We have had it in this country all along. But it is the narrow approach like these kinds of approaches that are hindering the progress to cooperation and good labour relations amongst the business community and the labour forces of this country and Governments.

* (1015)

The business community has opposed changes in the pension laws. It is mind-boggling to find out why, but they are. Maybe it is because of the excess profits in the pensions that could be used for indexing and so on. They claim that for their own.

The business community has opposed health and safety in the workplace laws. In fact, for the last 50 years, the business community has had total influence over the disposal of hazardous wastes, and the government at that time, including the present, has done little and will do little to preserve our environment and our planet.

The business community has had total influence in the management of our forests and reforestation, and it is only recently members of the business community have admitted that the environment and our forests are two areas where the world-wide community is concerned and should be concerned.

Final offer selection is a means to provide a peaceful manner in which the boss and the workforce can settle their disputes before taking strike actions or resorting to other work stoppage actions. It is a safety valve that allows minds to focus on their tasks of meaningful negotiations before they do anything else. The record shows that during the time the Manitoba Federation of Labour was strongly supporting final offer legislation, the federal and provincial Governments were entering in an era of deregulation of the transport industry, the communication industry, the finance community and so on.

The business community was influenced by the deregulation phenomena and strongly supported the Governments to deregulate. The area most common, the transportation industry, was to accommodate manufacturers and shippers. In this regard, the same dispute resolution as final offer selection was introduced in the transportation legislation through the National Transportation Act of Canada.

The new National Transportation Act provides for a new framework for conflict management. Final offer selection, by the way, Mr. Chairperson, is no different. The objective is the federal Government's commitment to have competitive, efficient and viable transportation services in Canada. All levels of Government acknowledge that the transportation sector is a key element in Canada's economic growth. Therefore they

sought the mechanism that would provide shippers and transport companies the opportunity to resolve their tariff disputes through mediation and final offer solution.

In addition, the federal Government of Canada introduced, prior to the last federal election, the Passenger Train Railway Act, that died on the Order Paper, and was never reintroduced. However, it is worthy to note, Mr. Chairman, that the Passenger Train Railway Act provided for VIA Rail Canada Inc. to determine a fair price it was required to pay CN and CP for the use of their trackage and other services. The same framework for conflict management was introduced in that piece of legislation as well, and that was final offer selection.

* (1020)

Final offer arbitration or selection, regardless of what the name is, is designed to deal with disputes between a shipper and a carrier in the matter of fair pricing. Our Minister of Transport (Mr. Albert Driedger) in this province and other Ministers of the Crown are all quite knowledgeable of the present manner in which the National Transportation Agency legislation provides for those disputes. This mechanism between shippers and carriers, to balance the scale of power, is for small shippers of goods and large carriers, as well as large shippers and small carriers, or large carriers and shippers. The mechanism is to give the little guy or the big guy a chance to survive and get a fair shake. I did not want to bring the whole legislation down, of the transportation Act, but I brought you the pamphlet so that your committee can see for themselves the mechanism that is in place that you are being asked to destroy for working men and women.

The final offer selection legislation in Manitoba deals with labour disputes between employers and unions representing those workers. It is no different from what is available for the business community in the new National Transportation Act. To repeal C-31, will be a step backwards. It will be uncivilized and intolerant, in a country where we are considered by the rest of the world as advanced and already into the 21st Century. The best offer I can make to you, Mr. Chairperson, and committee Members, and to the rest of the Legislative Assembly, is for you to stop now and to allow the legislation to remain intact, thereby providing working people in the province the same as what the business community has for itself—a mechanism for dispute resolution, rather than confrontation.

If the Legislature holds a vote to repeal the Act, will the Conservative Government allow a free vote of their Members of the Legislative Assembly, and will the Liberals allow a free vote of their Members of the Legislative Assembly? If a free vote is held, I suggest that Manitobans will know where you stand, and the record will show where each individual one of you will stand when it comes to legislation that applies to working men and women of this province.

To repeal C-31 is to have no victory at all, simply a hollow one. The business community will still be required to sit across the table from myself or a union representative like myself, and the work force that

represents those workers. I have never used final offer selection, but by God, if I had to, I would. We feel strongly that we should be approaching matters in this modern age through strength and not fear, logic and not panic, with reason and not suspicion. Thank you very much.

Mr. Chairman: Thank you, Mr. Cerilli. Are there any questions? Mr. Ashton.

Mr. Ashton: Thank you for your presentation. What I would like to ask first of all, and it follows from one of the supposed arguments against final offer selection, that being—it is a suggestion that has been made by both the Liberals and Conservatives, by the Minister of Labour (Mrs. Hammond), by the Liberal Labour Critic (Mr. Edwards), and even by the Leader of the Liberal Party (Mrs. Carstairs) and that is that final offer selection is not supported by the labour movement. They have gone back to the committee hearings, I guess in 1987, when there were concerns expressed by a number of unions.

* (1025)

You have been active in the labour movement in Manitoba for many years. I would just like to ask you, based on your contacts, not only in terms of your own union, but with other unions, what is the position of the labour movement in Manitoba at the current time and the position of particular unions, individual unions in regard to final offer selection?

Mr. Cerilli: To answer that, I think it is worthy to note that we do live in a democracy, and that is why I make reference to it in the brief and the importance of maintaining that flow in which we resolve our differences. The majority of the labour unions in Manitoba, through resolution and debate, for and against, decided to vote to support final offer selection. Through that process I stand here today, proud to be a Canadian, proud to be a Manitoban, to argue with you of the logic against repealing it.

Once we have that democratic decision through the labour movement, I suggest and answer you that the majority of the labour unions in this province support that piece of legislation to remain intact and support it today. Even the people who opposed it may one day fall upon it to resolve their dispute, those workers against that employer that may be obstinate, as I mentioned in this brief.

Mr. Ashton: We have seen actually throughout this committee, and we have heard from individuals and we have heard from people who originally opposed final offer selection, that many people in the labour movement had a chance to see it in operation, whether or not they would use it themselves, and some of them have used it, many people have changed their minds, those who had concerns about final offer selection. Essentially you are saying, as I understand it in your answer, the Liberals and the Conservatives are dead wrong if they suggest in any way, shape or form that the labour movement, representing the interests of working people, supports their efforts to get rid of final offer selection.

Mr. Cerilli: That is our view in our union, and that is the view of many union leaders and workers who belong to those different unions, that the Liberals and this Government are wrong. I do not mind expressing that view in the presentation that I made, as strongly as possible, to you today.

Mr. Ashton: Well, it is interesting because almost as quickly as that argument is demolished, the Liberals and Conservatives move to another argument which basically is premised on the idea that perhaps if the labour movement no longer opposes FOS, some of the unions that did—even though as you said, a vast majority right from the start have supported final offer selection—if the labour movement and working people know what is good for themselves, the Liberals and the Conservatives do.

We have heard the suggestion, for example, from the Liberal Labour Critic (Mr. Edwards) and from the Liberal Leader (Mrs. Carstairs) that final offer selection is not in the best interest of unions because it weakens the accountability of the union leadership to its members. It weakens unions. That is another direct quote. We have had final offer selection for two years in Manitoba, and you have had a chance to see its operation.

Based on your experience in the labour movement, is there any truth in those statements? In any way, shape or form has final offer selection weakened unions?

Mr. Cerilli: None whatsoever. The fact of the matter is that it has not weakened. If we are interested in labour peace and if we are interested—and we talk about it a lot in all levels of Governments, about the European experience, the German experience, the Sweden experience, the Japanese experience, the communist experience, you name it. Everybody looks at other countries except our own provinces. I say that does not weaken our position at all as trade unionists. It does not weaken anybody.

* (1030)

The fact of the matter is, as I pointed out in my thesis of my presentation here this morning, the business community and the levels of Government are seeking those ways, those very same means of final offer selection for settling their own disputes.

It is ironic, to say the least, that what is good for the business community on the one hand—they are saying, hey, it is not good for the workers; hey, get away from there, you guys. You guys are all nuts, you are cracked. But hey, give it to us though. Let me deal with the little shipper or the big trucker or the big railway through a final offer selection but not for the workers.

Well, that answers your question. I hope it answers the question of that committee. I find it stupid to say the least to argue that way, on one hand to say it is good for me, but it is not good for you. That is crazy, it is mind-boggling. It is about time that this committee and this Legislature came to its senses.

Mr. Ashton: It is interesting that you have raised that point because the Chamber of Commerce, for example,

which came before this committee and opposed final offer selection saw its repeal in terms of this particular Bill, supported this Bill as I understand it, and correct me if I am wrong, has supported the final arbitration concept that you referenced and that you provided information to this committee on. It is the final offer arbitration concept that is part of the National Transportation Act so there is a real irony here. In fact, are you aware of what the position of the Chamber of Commerce is in terms of the legislation? Is that in fact the case that they have supported final offer arbitration at the level of the National Transportation Act?

Mr. Cerilli: I guess the business community has a number of associations or trade unions or closed-shop unions as they are known. They may call them the association or clubs or whatever, but you have the manufacturers association, you have the Chamber of Commerce, the Hotel Association that in essence are all under the same umbrella. I have had the opportunity of being invited by the business community to hear at least our point of view, to speak at their luncheons and so on.

It was interesting that after the concept of the safety valve argument that I used in the presentation here briefly, that after explaining to those communities that wholeheartedly support the destruction of this piece of legislation, to answer that question for you so that there is no misconception about that. I argued that if they have a work force and they want utilization, and they argued about productivity, which we are all interested in. I mean, if I was a businessperson I would be interested in productivity and morale of my workers, as I am as a trade unionist.

In 1960 we wrote the manual on productivity and morale and so on and labour relations. We did not have to wait for Japan to bring it about or Sweden or Europe. We did that and we used the concept of the two boilers. I will draw two imaginary boilers for this committee. We have a boiler here that has steam going in it with a big valve to open it, but no shutoff valve or no escape valve, and those are workers in one factory that have no outlet. That destroys morale and productivity. On the other side, we have a factory, the same kind of factory, same kind of workers, men and women, who have a big steam pipe going into their boiler with a valve that opens and shuts and also one that releases pressure, a safety valve that allows communication to take place between workers and management to resolve their disputes. That manager agreed, because I separated the discussion into two groups: the employers that were really adamant about this piece of legislation and repealing it and those that are not so adamant. So they are not all in one group there, as they accuse us of not being in one group and one thought. This guy had to admit that his factory with this safety valve and that steam boiler produced better, the morale was better, labour relations were better and so on.

To answer you specifically, that is one way of looking at it. Yes, the different associations of management are in collusion, I guess, or in concert with the Government and the official Opposition to repeal this, but they are not all in one mind to say that they are unanimous.

Not in my view, so because we live in a democracy, the majority wins again.

That is what we have said to you, is that the labour movement, through a democratic process at convention, passed the resolution and brought it forward for this Legislature to put it into action, and passed an Act that says, here is the method in which final offer selection will apply, no different by the way than the previous question of how business handles their disputes when it costs tariffs to ship a stove from here to Vancouver between a carrier, a shipper and a manufacturer. So those mechanisms are all there, and it is moving towards the 21st century of co-operation rather than the opposite.

Mr. Ashton: It is interesting you raise that point, because the Liberals and Conservatives, once again, in their arguments to dismantle final offer selection, have suggested that final offer selection in and as of itself creates disruption. Now that has been a direct argument that has been put forward by the Liberal Labour Critic, that final offer selection creates disruption in the workplace. You are suggesting that final offer selection, the process has quite the opposite impact, and I would like to ask you specifically what you feel about that suggestion, what your opinion is about the suggestion that somehow final offer selection creates disruption in the work place.

Mr. Cerilli: There is simply no proof on the record. I think that the others presenters before me, through the Federation of Labour and other unions, have given you all kinds of statistics. That is great stuff, but I deal in the real world, and there is no such evidence, they say, to prove that there are disruptions. It is not true, simply not true. I have not seen any. I communicate with all kinds of unions, all types of unions, all kinds of workers, and there is simply no disruption as indicated by those people that say there are disruptions.

Mr. Ashton: The argument has also been put forward that final offer selection increases the length of strikes, increases the number of strikes. The argument is based on the suggestion that the 60-day window leads to people potentially going on strike for 60 days, sitting out the loss of income, with all the impacts that can have in terms of loss of savings, loss of one's house, et cetera, but that somehow people are going to go out for 60 days for a provision that they can take advantage of even prior to the taking of a strike vote, prior to the end of a contract. Now I just want to ask you, in your experience, if you feel there is any legitimacy whatsoever to, what I feel is a very absurd and ridiculous suggestion that people are somehow going to sit out for 60 days because of the 60-day window, and that somehow increases the length of strikes.

Mr. Cerilli: I am going to use myself as a bit of history. It was in 1950, at an early age of 17 or 18, that I was involved in the first railway strike for the 40-hour week. The particular department I worked in never got the 40-hour week until 1966. Through those years, and I have been involved in the labour movement since 1950 because I was either a local officer, a full-time representative, or in my present position as regional

vice-president, and as a full-time person I have been on staff for the last 24 years.

To simply say that workers want to go on strike is a myth. It is a dream. It is not true. The fact of the matter is, that the only time you take that kind of action is when the employers and Governments create that kind of atmosphere towards achieving an end to what should be. In my experience in Manitoba, there is no proof to suggest that there has been a deliberate disruption towards strike action because of the 60-day rule or anything else. There is no proof to that fact or to that allegation of fact. I answer you that it is simply not true.

Mr. Ashton: I appreciate you bringing your perspective and I appreciate the perspective of many others as we have gone through these committee hearings, because quite frankly I believe many of the comments that have been made about final offer selection, particularly that one, I think is one of the more extreme, one of the more absurd suggestions I have heard made out of ignorance rather than being maliciously intended. I believe they have been made by people who really have not been through that situation themselves. I am not saying that they would have to, even if they talked to people who have been through the situation, who have been on strike, I think they would have realized that. As you said, no one ever takes the decision to go out on strike very lightly; in no way, shape or form, under any circumstances, go out on strike for 60 days simply so they could access final offer selection, a mechanism that is available before the strike begins.

* (1040)

I hope that we will hear the Liberal Labour Critic (Mr. Edwards) for example, who very clearly stated that just as recently as a few weeks ago, that he now withdraw that ridiculous argument. Mr. Chairperson, he says it is not what he says. I have a direct quote from The Winnipeg Sun that says that final offer selection—and I was standing in the hallway by the way when he said it. He said that it lengthens strikes. Why he says it lengthens strikes, let us deal with that. The Liberal Labour Critic says that final offer selection lengthens strikes. I presume what he is talking about is only the 60-day window, because it cannot obviously lengthen a strike that does not take place if it is accessed prior to the end of the contract.

Do you believe there is any validity—once again you have had a substantial amount of experience and you have a lot of contacts with other unions. Is there any grain of truth, any validity at all, in the suggestion by the Liberal Labour Critic (Mr. Edwards) as just repeated, that final offer selection as it is currently in form in Manitoba lengthens strikes in this province?

Mr. Cerilli: Mr. Chairperson, it is simply not true. I should say this because I think part of my role is to educate and to make people understand, as I closed off the brief, with reason and logic, not fear. To understand then is to really make a right decision. I am not criticizing the Liberals or the Tories here today for what they are doing. I am just trying to draw to

their attention that what they are doing is simply wrong. I want them to reconsider their position and say if it is good for business, then by God, we cannot have a society split like these two microphones. We simply have to put them back together and work to achieve what we say, and that is the morale of the country, the morale of the province, and the workforce for the productivity. I think that is important to understand. I suggest to you that if at any time anybody wants to call on me for that kind of understanding or explanation—they call me other times for other information, the three Parties—do not hesitate when it comes down to the real issue that affects working men and women of the province. Do that, communicate, and you might get a surprise.

Mr. Ashton: I want to touch on that because I have asked other presenters before this committee very directly what level of communication there has been. I will start with the Conservative Government who as you said it contacts you on other issues. Has the Minister of Labour (Mrs. Hammond) contacted you to ask for your opinion on final offer selection, recognizing that it has been in place for two years, was put in place for 5 years under the distinct commitment that there would be an evaluation after that period? Here we are, they are repealing it. It has to start with the Conservative Government and the Minister of Labour (Mrs. Hammond). Has the Conservative Minister of Labour asked you for your opinion on final offer selection, and if she has in any way, shape or form, what have you communicated to her?

Mr. Cerilli: Mr. Chairperson, no, the Minister of Labour (Mrs. Hammond) I have to say does not contact me and maybe that is the right direction to take, because we do have the Manitoba Federation of Labour which I would direct her, but I would not ignore her question. I would still assist in whatever way I could to make sure that they understood what is happening in the real world, the same as I do with the Minister of Transport (Mr. Albert Driedger), the Minister of Environment (Mr. Cummings), the Minister handling Workers Compensation (Mr. Connery) and so on. While I direct them to the main labour body that acts as our spokesperson, we augment each other because of the nature of our representation in the work force, whom we draw on for their expertise to communicate with us, so we can have that flow of communication with all levels of Government.

I must say that in this instance it was unlike the other instances that I mentioned. I was not contacted personally. I really do not know if the Minister of Labour (Mrs. Hammond) contacted the Manitoba Federation of Labour on a co-operative end of it to say, hey, here is what is being suggested, could you give us this information before we introduce the legislation or whatever? I do not know if that took place. I was not at a meeting.

Mr. Ashton: You are not alone. We have heard throughout this committee that people, whether they be on the shop floor or have had involvement with FOS, people who have negotiated contracts where FOS has been used, people who have had substantial experience

in the labour movement have not been contacted by the Minister.

I want to deal with the Liberals because I know they have been adamant in saying that they have contacted, and these are their words, several union leaders. I do not know who the several are. It does not sound like a very extensive consultation, and it is fairly obvious if they have consulted, they have not listened. I just want to ask you—

Mr. Chairman: Order, please. Mr. Edwards, on a point of order.

Mr. Paul Edwards (St. James): The Member has asked this question repeatedly. I just want to clear it up. There were several union leaders who appeared with the Manitoba Federation of Labour. Mr. Cerilli has indicated that he is a member of the Manitoba Federation of Labour and—

Mr. Chairman: Mr. Edwards—

Mr. Edwards: —we did have that meeting with the MFL, and I respect Mr. Cerilli—

Mr. Chairman: —a dispute over the facts is not a point of order.

Mr. Edwards: —for bringing this to the MFL, because that is who we consulted with.

Mr. Ashton: Mr. Chairperson, I was just asking Mr. Cerilli a question on the level of contact that took place. Perhaps if I can continue with that, because as I said, if the Liberals have done any consultation they obviously have not listened.

I just want to ask, have you had any contact yourself with any of the Members of the Liberal Caucus? I do not mean to betray any private conversations, I am not suggesting that. I am really trying to get at the level of contact that there has been and what message you have given them.

Mr. Cerilli: I must say that in my 40 years of activity in the labour movement, I have never ignored any member of any Party from the very beginning until now. In fact, I get called on by the Liberals or the Conservative Party, may they be in Government or Opposition, either one of them, and the New Democratic Party of course. Everybody knows where I stand politically, so it is no use hiding that fact. I have been a CCFer and a New Democrat for as long as I can remember.

The fact of the matter is that in all kinds of other occasions, the Liberals have also contacted me, may it be VIA Rail, may it be transportation. I had an ongoing situation with the Honourable Minister of Transport of the day when deregulation was being introduced or thought of in the late '70s and the 1980s and so on.

Where the Liberal Government was in power federally, because of the nature of deregulation, they were in contact with me all the time. They had the CLC to go through, and in the province they would contact me

here. They had the MFL to go through; with VIA Rail the same thing. All of those areas I have contacted; I have never shied away; I have never ignored anybody. That is not my nature, that is not labour's nature to begin with. We may have a hell of a difference of opinion of where you are going, but we are not going to ignore you. We are certainly going to put our views on the table, as we did this morning on behalf of our union, supporting what the Manitoba Federation of Labour has said.

When I say to the Liberals hey, you could have learned something, do not think you know it all, come to us, the door is always open and it always has been. They know where I stand politically. I am friends with a lot of their colleagues; some of them have switched. So what? It is a free democracy. But when an important issue of this kind comes before society, by God, do not go and hide your head in the sand and pretend that you do not know labour, you only know business. That is what the whole issue is. You have been influenced by the business community. You have not listened to the working men and women who do the tasks for those businesses. You have not listened, and then you are going to be the friends of working people, come on. They have not contacted me.

Mr. Ashton: It is interesting because I become increasingly puzzled as we go through. We are dealing with a law that was put in place for five years, as I said earlier. We are two years into it. As you yourself indicated, you feel it is working, and yet—I just want to make this clear on the record—you feel that both the Conservatives and the Liberals, while they are quite anxious to contact you on other issues, and people such as yourself have on this had very little consultation, little contact, to the extent there has been consultation or contact, you feel that they have not been listening to the concerns you have been expressing?

* (1050)

Mr. Cerilli: Absolutely. I just want to draw a picture again. I love drawing pictures, imaginary ones. Let us take a corporate structure, a huge corporate structure. Here they are up here. I would assume that every member of this committee knows what a corporate structure is. As a labour union it is my business to know what a structure is, may it be small or big.

The corporate structure is here and underneath it it has a series of small companies that are part of that corporate structure. Each one of those may have a contract or a business to do with company X who may only have employed under that particular certification 25 people. Yet, the corporate structure shows that they have 2,000, 3,000, 20,000, 50,000 people working for it, but because of their fragmentation, the power of that corporation is lent to that particular group of 25 workers through their affiliation with the parent company.

When a union like mine goes and organizes that group of workers to give them that bit of equalization of structure through this final offer selection if I had of used it, through the means of labour negotiations, I

may have to revert to final offer selection, the same as a small shipper may have to do with a huge railway to get a fair shake on proper pricing of shipping and tariffs.

That is what the issue is, ladies and gentlemen of this committee. So you can tell your colleagues in the Legislature what it is all about in the real world. That is why you have what you have in Japan, productivity and morale. They go hand in hand. Here you are trying to destroy it. Then we go, hey, no productivity in Manitoba, them bloody workers. What kind of nonsense is that? Get real.

Mr. Ashton: I am hoping that people will start to get real, get down to what is happening out there, because we believe strongly that final offer selection is if anything contributing toward the productivity.

I just want to ask you—in terms of your opinion comparing Manitoba to other provinces because this is a comparison that has been made throughout these committee hearings. Some of the people in the business community have somehow suggested that we do not have a good labour relations climate.

I quoted to the committee, and I will not quote it again, a statement from the Minister of Industry, Trade and Tourism, the Conservative Minister in Manitoba, Mr. Ernst, various quotes that are being put in business publications throughout Canada that indicate quite the opposite. We have one of the best labour reputations in Canada with a high level of productivity with our work force.

I just want to ask you, in your opinion and from your experience in the labour movement, how do we rate in Manitoba in comparison to other provinces given the fact that we do have legislation such as final offer selection? Do we have a better labour relations climate generally, or is the Chamber of Commerce correct that we have a bad labour relations climate?

Mr. Cerilli: Mr. Chairperson, I think that is an interesting question, because I think we have to now develop the issue of the worker, the worker's role in society as a whole, and the business community's role in society as a whole, and all the levels of Government. I think that we have a good climate in Manitoba. I travel from one coast to the other in representing the workers that we have in our union, and to say the least, while other people may have criticized the final offer selection approach, you have not heard any real hue and cry from outside in any other form to repeal it. The fact of the matter is that we must keep it that way. If we are interested in productivity, if we are interested in the morale which creates good productivity, if we are interested in the environment, if we are interested in the safety laws, workers compensation, let us quit chipping away at those pieces of legislation that are in place in this province that make that good environment for business.

Business has themselves to blame in a lot of issues. I think they have to be open-minded and come into the real world, 21st century, because of our environment and because of what has happened in a global sense

with deregulation and the movement of capital, with the threat of a corporation that says, if you do not give me good labour laws or environmental laws I am going to pack up my factory from Manitoba and move it to a Third World country or another province or south of the border or into Mexico where they pay 50 cents.

Those are all issues that Governments of this country and the province must take into account. The business community wants to bury their heads in the sand and say, that is not real out there like that. Let me tell you, it is a fact. It is about time this Legislature dealt with the blackmail of the business community onto society in dealing with issues of that nature, when they close a plant and simply move somewhere else. Their own environment is being created by other forces, not by labour, and maybe global as well.

Mr. Ashton: It is interesting you mention that, because we had a presenter come forward to the committee a couple of days ago who used the usual arguments that we have heard over the years in the Chamber of Commerce, management's side. It is suggested that we are in "global environment." It is interesting, because when I asked the individual how far he wanted to go, whether he wanted to simply roll back final offer selection, it became clear it was not just final offer selection, it was first contract legislation. When I started getting further into how far this individual who said he spoke from management's side wanted to go, he would not answer, largely I think because when you look at the logical conclusion of his arguments, he had suggested we are competing with companies globally, companies for example in China and Peru.

I am not quite sure why he picked those countries. Those are the countries that were his choice. I started wondering what level of labour legislation they have in those countries, what minimum wages they have. Obviously, far lower than here.

You are suggesting to this committee that if anything, because we are globally competitive and because you mentioned Japan for example, because of the fact that they are doing some fairly innovative things in terms of labour relations, the Europeans have done some pretty innovative things, you are suggesting quite the opposite. You are suggesting we need mechanisms such as final offer selection rather than the more traditional ways of settling disputes which quite clearly have been really strictly the strike or lockout and not much else.

Mr. Cerilli: That is absolutely correct. If we are going to talk about Japan and we are going to talk about Sweden and these other countries that have good standards of living, good labour relations with the work force and Government and the employers, then I think we have to look at that. To name China and to name Peru, I mean this is the kind of globalization that they want to see, where they are able to pick up all their marbles and say, if you do not do what I ask, I am going to move to Peru where there are no laws maybe. I do not know if they have those kinds of laws or not, or to China, or to the American-Mexican border where the last research I did a year and a half ago was \$6 a day. If that is what they want, those workers in those countries, because of our instant type of communication

now, are going to wake up to those facts. In fact the Mexican workers are doing that now. They are telling those global conglomerates, hey buster, you cannot come in here and do that anymore.

We are not going to move one problem to another. The working people of the world are not going to tolerate that. This is why I use this new phenomenon about what is happening in the world today, to bring reality to this committee and to this Legislature, that if other communistic countries are changing the face of the earth because of environmental problems, economic problems and everything else, if they are going to go and work with their workers through the business community and Government, what the hell are we doing, going backwards? We are going to replace them? Unbelievable.

Mr. Ashton: The suggestion has been made once again by those who oppose final offer selection that there is somehow a problem with final offer selection because we are the only province in Canada that has it, as if being innovative in and of itself creates a problem in the global economy you were talking about.

I was just wondering what you think of that criticism of final offer selection, because it has been debated since 1987 by both Liberals and Conservatives and most recently in the debate on this particular Bill.

Mr. Cerilli: I think each province is dealing with their own particular legislative mandates in their jurisdiction. If we want to start comparing legislation, province to province and piece by piece, let us take Quebec. They have scab legislation where one worker cannot be hired to replace another worker in case of a dispute. Let us replace that with this then or that piece of legislation. Let us introduce that in the House and see where we go.

I mean if you are going to start comparing, you have to be careful what the hell you are doing. I say that in all sincerity, for the simple reason is what I said earlier, to understand what is going on in the world, the province, our country and the other provinces or territories. Legislation is being introduced every day. The Ontario Environmental Protection Agency has had legislation in place for years to create a waste management plant facility, and they are still studying it to death. Are we doing that? We have one going, maybe we will get one to help out mother nature in the fight against pollution. It is the same as labour legislation. Once you start comparing federal and provincial, let us do that then and uniform it, but uniform it so that we are all full partners, not one, he has the upper hand over the other.

That is why I said in the presentation of the old concept, where the servant and master concept is being revived here by this Bill No. 31 to repeal the final offer selection. I think that this Legislature is heading down a rocky road in the wrong direction.

* (1100)

Mr. Ashton: I appreciate your comments, and I know other Members of the committee may have questions.

I just want to ask you though as a final question, we are dealing with a situation here, obviously in this committee, we have had some frustration expressed by people that perhaps Members of the committee are not going to listen, that they do not want to be confused with the facts, has been made by suggestion. Concern has been expressed by many people. I am always a bit of an optimist, I guess. I always hope that reason will prevail, that people will look at the facts. I am hoping that people will look at what is happening. We in fact will be making a suggested amendment that we hope will make it easier for those who have got themselves into some pretty entrenched positions for whatever reason whether it is ideology or ties to the Chamber of Commerce or whatever.

I want to put you in the position of, and you have said, you have had very good contact over the years with the Liberals and Conservatives on a personal basis. You have had very good contact on other issues although you have said not the best of contact on this one. You have said this is a pretty important issue to the labour movement in Manitoba.

I would just like to ask you as a final question, what would you say—and I am really thinking here as much for the Liberals as the Conservatives, because quite frankly I think the Conservatives are not going to change their mind in any way, shape or form, but let us assume that the Liberals are going to really live up to what they said they were going to do in this committee. They said they were going to be open-minded even though they have said they oppose final offer selection. They said they were going to be open-minded.

Given that, what would you say to them about final offer selection? What would you recommend that they do on this committee? What would you recommend they do in the Legislature as your final comments to them? I would like to give you the opportunity to say what you would have said if they had contacted you as they do on other issues. What is your recommendation to them on this issue and why?

Mr. Cerilli: Mr. Chairperson, well, first of all I am not frustrated. I get disappointed sometimes in the arguments and the manner in which they are done and without approaching people who have been communicated with in other times, but let us deal with final offer selection and what I want to suggest to people.

I think what we should be doing is allowing this piece of legislation to remain intact as it is, period. There is no proof before anybody that can prove without a shadow of a doubt that it has hindered anybody. I think that it is a valve that will create stability in those types of negotiations where the balance of power—as I drew the corporate level of structure—is so imbalanced that it gives those workers the opportunity of having an achievement that they can be proud of because of this piece of legislation.

I would suggest to the Liberals that they rethink their position with what has been said here this morning and without the rhetoric but the logic. The fact of the matter is that the business community has it in place and they must realize that if it is good for one segment

of society then by God it must be good for the other segment of society, because they are a full partner in our structure of our country.

Mr. Edwards: Mr. Cerilli, you indicate in your brief that you represent, through the national brotherhood, both workers employed in the provincial jurisdiction and the federal jurisdiction. Can you give us some numbers of percentage in Manitoba?

Mr. Cerilli: I would imagine we have close to 2,000 what we call general workers in the provincial jurisdiction give or take a couple a hundred, and the remainder will be in the federal railway, trucking, bus companies that are federal jurisdiction, but we have some hotels and those kinds of things.

Mr. Edwards: I am sorry. How many would the remainder be in the federal jurisdiction?

Mr. Cerilli: The federal jurisdiction about close to 2,000 or more because of the VIA situation and the Canadian National Railway situation where they are cutting back and laying off. The last count was about 2,100.

Mr. Patterson: Mr. Cerilli, I will try to give my question without a 15-minute speech prefacing it, as is the habit of the Member for Thompson (Mr. Ashton).

Some Honourable Members: Oh, oh!

Mr. Chairman: Order, please.

Mr. Patterson: The various management representatives, such as the Chamber of Commerce and the Human Resource Management Association, have mentioned in their briefs -(interjection)-

Mr. Chairman: Order, please. I am telling you fellows, we listened intently to Mr. Ashton. I would like to hear what Mr. Patterson has to say.

Mr. Patterson: —this perception. I say it is just perception and not necessarily accepting it as fact, but they say that there is the perception outside the province on the part of potential investors about this what they call anti-business climate in Manitoba and in Winnipeg. The allegations are that because of this the province has lost and is losing some potential investors that would possibly otherwise come in and set up something that will create jobs for our citizens. Well, what is your viewpoint or reaction to this type of allegation of these outside perceptions and their effect on us?

Mr. Cerilli: Well, I think that we have to put it in its right perspective. I think that people sometimes misunderstand the ability of a trade union representative of knowing something about the businesses that they represent and other businesses that they do not represent. The fact of the matter is that we have a number of partners in our society, labour, people as a whole, business, Government. If we promote ourselves as being in confrontation each time we turn around that image then spreads across Canada saying, what the hell are those people doing in Manitoba? Are they all nuts?

So as equal partners, it is either we do the right thing or we do not. If you give that impression to some business leader, it says hey, Christ, even though the Tory Government is in place in Manitoba and supported by the Liberals in some cases, you know, it is still a bad place to go and invest bucks. Well, that is the image you are going to give them. That is not true. I deal with business people all the time, federally, provincially, municipally, wherever. I travel with them. I am not shy to sit with them and have a coffee—I do not drink coffee anymore—a cup of tea or whatever. The fact of the matter is, it is what we do ourselves that promotes a good environment of investment.

I am writing an article right now on investment in Manitoba in the hazardous waste plant because of the concept of what the hell is happening out in our society about the environment. The fact of the matter is that if we keep telling everybody that we have a bad environment, that is what we are going to have. That is the image. We have to promote our own image, but we are not doing that. The Liberals have jumped on the wagon of the Government and says hey, this piece of legislation is a piece of garbage. It is no good for investment. How the hell do they know? Because they heard it; because they talked to some businesspeople who are closed-minded, have blinkers and do not have a notion of what real labour relation is all about.

* (1110)

I wrote a book in 1960, along with a good friend in management who happened to be a lawyer. His name was Law. I might have to bring that manual down to you people to show what a good environment is all about. It is what we put out front that is perceived by the general public out there and the investors of this country, may they be foreign or otherwise. The fact of the matter is that we have been doing a hell of a piss-poor job on it—pardon the expression, Mr. Chairperson.

Mr. Patterson: Yes, you stated that the Liberals have said that it is destroying investment in the province. We have not said that. I merely stated that these—

Mr. Cerilli: I am simply saying that in this particular issue, in conjunction with the Government, they have sided in and promoted that kind of projection out there for the people out there, and they may be expecting something that is not going to help them in an investment one way or another. If the legislation stays, it is going to help them probably. If the legislation goes, it does not matter about their investment. They are still going to have to deal with the people who are left. It will not stop them from getting unionized. We do have some freedoms left.

The issue is, does Quebec suffer of investment because they have anti-scab legislation? Of course not. Does Ontario suffer because of their environmental laws? Of course not. Those are all labour laws. They have good workers compensation laws. In fact, they just received a decision that I used yesterday to help my case out. Ontario and all the provinces have legislation that tries to accommodate the full partners of a society. You cannot have an imbalance.

Mr. Patterson: This is not related to the brief for final offer, Mr. Cerilli, just a matter of personal curiosity on one of your comments. I was and my father was a railroader. I was born and raised on the CNR and I well recall the events of 1950 that you mentioned, going to the 40-hour week. There is a whole generation growing up that does not realize that the 48-hour week existed. It was your statement that—was it your group you said that did not get the 40-hour week until 1966?

Mr. Cerilli: I am glad you asked that question. I was hoping somebody would ask that. If I could, Mr. Chairman, what happened was that since the very early times when passenger train services were made part of the transportation of goods and services throughout Canada, my grandfathers, my father, myself and now my son—I have four generations in railroading or transportation, and what was happening was that the passenger train services even in those days was being threatened with cutbacks or modernization from steam locomotive to dieselization and all the rest of it that went on.

Justice Samuel Freedman for example from our province wrote the report on that which has guided us in legislation for the 90-day notice on plant closures and severance pays and so on. He made the notion that society, the work force and Government must be equal partners when changes are made. What happened there was the sleeping and dining car department as it was known then in the CN and CP did not receive the 40-hour week.

In 1957 under the Diefenbaker Government another notion was made that they were going to cut back on passenger train services because of the cost and everything else. Of course, we all know now that the subsidy argument is based on the fact that business gets subsidy or grants and everything else, everybody gets a subsidy. We argued that they should not cut back, they should modernize. They hired Pierre Delagrave (phonetic) from France to come in and show us how to run a railroad and passenger train services. We enhanced that. It got so good that in fact they fired him, as history repeats itself with another gentleman, and in 1964 we were able to retain the 48-hour workweek or the 208 hours in the month to try to improve the condition of the passenger train services. That was our cost as workers. In 1966 we finally got the 40-hour workweek on the promises that we were all going to get modernized passenger train services.

As time went on—history repeats itself again—the passenger train service was bandied around with the Liberal Governments in Ottawa of modernization and then Mr. Mazankowski again in the '80s election to modernize and restore services. This has never happened. When I said that it is because the work force pays a price sometimes to maintain the structure and a service for the purpose of benefiting the country. The other two partners, management and the Government, did not keep their part of the bargain, and what has happened now is a reduction in VIA Rail passenger service throughout Canada.

Amtrak, on the other hand, across the border has done exactly what we have just talked about here. They

have modernized, they are expanding and they are in a 40-hour workweek. We are in a 40-hour workweek with all of the things and downsized crews, but we have no trains hardly left to operate on. That is the answer I can give you on that very important question of how labour pays the price to keep things going.

Mr. Chairman: Thank you, Mr. Cerilli. Are there any more questions? Then is it the will of the committee to hear Mr. Robert Olien? He has been waiting the longest. Number 16, Robert Olien. Is it the will of the committee to listen to Mr. Olien now? Okay. Mr. Olien.

Mr. Robert Olien (Private Citizen): Thank you. This is the first time I have ever appeared before a group such as this, so if I am a bit nervous I hope you will forgive me.

An Honourable Member: Do not worry about that.

Mr. Olien: I will not, but just in case I falter a bit. I waited last night for about three hours and I found it quite interesting. I enjoyed the comments of Mr. Christophe and also the questions that were asked of him and the discussion that went back and forth.

First of all, you do not know anything about me. I was born in Manitoba in 1940, educated in Manitoba, married, two children and currently live in Transcona. My current employer is the Manitoba Government Employees' Association, but I am appearing here basically as a private citizen with some of the experience I have as a negotiator with that union, and what I think may happen with the repeal of final offer selection as it is today. I would like to thank you for giving me the opportunity to present my views on this.

When final offer selection was first being discussed it is fair to say not everyone embraced the idea. Even in various parts of the country there were other unions that were not exactly in favour of it. They thought maybe that was sort of a dangerous route to go, that it would take away a paramount right to strike and those sorts of things. Would you like me to wait a minute?

Mr. Chairman: Just go right ahead, they will move.

Mr. Olien: The British Columbia Government Employees' union, for example, thought we were maybe a little bit foolish for embracing this idea. We in our organization thought well, why do we not see what happens, because any alternative to strikes and lockouts should not be cast aside, any alternative as opposed to the law of the jungle. I am going to digress from what I wrote down. These are actually my written notes that I was basing my talk on.

The interesting thing is, the longest strike the Manitoba Government Employees' Association ever had was in 1978. For about seven to eight weeks, the Liquor Commission workers went out. The reason why they went out was because of another piece of legislation that came in.

* (1120)

We have our what you call the Thanksgiving goose from Pierre Elliott Trudeau on October 14, 1975. You

may remember the anti-inflation program. The result of that led to a strike in 1978, and that was because of a piece of legislation. So legislation can cause strikes it seems. It did not do anything, if I may digress a bit, to reduce inflation. The contrary was true. Inflation took off in that period of time when wages were held back.

I can recall that the final offer selection was used by the University of Manitoba, I believe in the faculty association, even before legislation came into being. That may not be the case today but there was some thinking, at least in my view, that the academic community at least thought that maybe it was an alternative to a strike or a lockout or other forms of settling a dispute.

I now believe more than I did before that final offer selection, as I said, is a benefit to working people in Manitoba who are able to use it and democratically choose to use it. It is not imposed on them by a union boss. They have a free election on it.

As a matter of fact, one group—this will be our first application on behalf of our union that already has applied for final offer selection. That is a first for the Manitoba Government Employees' Association. It is not a food industry or retail industry, nor it is not a taxi industry. It is being applied for for a Crown corporation, the Communities Economic Development Fund. They have about 10 members in that particular agreement. It is a provincial Government Crown corporation. We have applied for final offer selection there. Martin Freedman, as some of you would know, is the agreed-upon selector by both parties. He was also, I believe, the selector in the Dominion stores on one of those cases that did end up at a selector.

Interesting enough, the Communities Economic Development Fund was also for the MGEA our first contract, if you will, legislation-imposed agreement. It was kind of odd; that was the only one we have ever had. We have negotiated literally hundreds of agreements without strikes, without lockouts because our objective is to negotiate a settlement, to work toward that end. It is ironic that the Communities Economic Development Fund was the only one we could not get a contract with. The Labour Board had to impose one, and now it is the first one we have applied for final offer selection.

A second one on the go right now is the Winnipeg Art Gallery. We see difficulties happening there. So that is two that the MGEA will be involved in. Last night Mr. Christophe spoke with a great deal of empathy and experience on what his union has gone through. Our union has not, but we are starting to. It is obvious that things are happening in this country and I am concerned about it.

For an example, in the Manitoba Government Employees' Association we will have 35 collective agreements that we will be bargaining in 1990, this year. The vast majority of course is the Government employees; we have other units as well. We have 48 units that will be going into negotiations who have expiry dates in 1991. This represents 83 bargaining units that the MGEA represents that are potentially affected now by the move to repeal final offer selection, which will

be affected if it does succeed, if in fact that final offer selection is removed. Not everyone wants to strike. There is some kind of a belief that people just are strike-happy. I know that is not true; I have been on strike.

I have to thank Canada Post Corporation for making me a union representative, which I give them great credit for. I knew nothing about unions before I joined the Post Office. There was not even a postal workers union at that time, it was an association, but I can tell you after working there 12 years, you have to make up which side you are on and I am happy I chose the side I am on.

This final offer selection is not a replacement for collective bargaining. It assists the parties. It causes them to move toward a settlement. Is it not a fact that under The Labour Relations Act that there is a duty on both parties to make every reasonable effort to negotiate and conclude a collective agreement? That is implied on both parties under The Labour Relations Act in Manitoba. Does this final offer selection not ensure that objective will be met?

I think it does, because I know in our point of view our objective is to negotiate a collective agreement without a strike, without a lockout and try to do the best job we can, bearing in mind that the employer has their positions and they have their desires, wants, needs and objective and so do the people that work for them.

It works for groups who are trying to improve their conditions of employment and earnings just to make a living in these taxing times but in order to achieve some measure of success do not want to go on strike and do not want to be locked out from their employment either.

What happens when you have people on strike and lockouts going on? What is the effect on the business community? Well I think an example is that it tells the business community that that is not the place to go to for business.

B.C. was well known for that because of the labour disruptions going on in the Province of British Columbia. Business did not want to go there. The Japanese were very concerned about the climate there. They wanted stability. They do not want to go to an environment that is hostile. Manitoba has not had that environment for many years and I do not want to see that.

Take employment security that the Government employees have for example; I wish it was extended to more. It was mentioned I remember when it came in, in 1983, the Canadian Broadcasting Corporation, the CBC was talking about it nationally, about look what happened in Manitoba. What is so different about Manitoba that they have this sort of collective bargaining process with its employees, the Government of the Day and the stability that it must cause?

I think that is a good thing, because what it says to employers, there is a stable labour market. It says to employees, I am not worried about losing my job so I do not have to suppress my spending. I may go out and purchase that home, I may go buy that fridge or

I may do other things, but if I do not know if I have a job, maybe I am just going to tighten up my belt and hang on and wait and see because I do not know today if I am going to be able to pay that bill tomorrow. So therefore that has a ripple effect through the business sector in terms of purchasing. I mean it almost becomes that it is incumbent upon us to tell people, do not make any major purchases because we cannot guarantee your job. I think job guarantees are important because it means there is stability in this country.

It has been said that there has to be a better way to settle contract disputes other than through strikes and lockouts. Well, the final offer selection is just that; it is another option. The report is that lost days due to strikes and lockouts in this province are low. I believe that final offer selection has a direct bearing on that. I think the evidence is there. I do not know of any businesses that closed because of final offer selection.

Varta Batteries did not go out of business because of final offer selection. The packing house industry did not fold because of final offer selection. Toro lawn mowers did not do what they did because of final offer selection. Kimberly-Clark did not leave Manitoba because of final offer selection. It had nothing to do with those business decisions. It is the climate that you are looking at.

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

I think about costs that are involved with strikes and lockouts, police costs alone that we all pay for. I used to joke around that if your home was getting broken into and you wanted to get a police officer, find a picket line, because that is the only place you are likely to find police officers, and there was lots of them around. It is a heck of a waste of people who should be protecting the public instead of looking after employers' interests because there is a labour dispute going on. Those things sort of died down in the last little while because of FOS. Not many people will use it, but they will if they have to use it, and that is a critical thing.

When I hear about the problems that go on in the United States that working people are exposed to there—we talk about our neighbours to the south, our harmonization of Canadians with the Americans. American companies basically have anti-employee attitudes and recent studies are showing that. I sincerely hope we are not going to move that way in Manitoba. It does not have to happen here.

Removing final offer selection, in my view, would be a move on the part of this Government and any Member of this Legislature who supports the present Government in that direction towards labour unrest in this province and a further move toward the Americanization of Canada. I can think of a plant that was on the broadcasting system in the United States, moved I believe from Alabama to Mexico. They relocated an American plant and laid off hundreds of their own workers, American workers, because they were making the princely sum of \$6 an hour, and they could go to Mexico for approximately \$4 to \$6 a day. They are treating their own workers that way. They are not going to treat Canadian workers any better, I venture to say.

Just bear with me a moment. One thing I have a suggestion for is something that I think bothers me about the direction we go in sometimes, and it is this Government's moves on final offer selection. Last night Harry Enns was asking Bernard Christophe about the election promise made in the last election, that they wanted to repeal final offer selection. Well, that may be an election promise made by a few. I would suggest many candidates running in that election at the time did not even know what final offer selection is, and maybe in the Legislature some still may not know even today unfortunately. I imagine a lot of Liberal candidates were surprised they got elected, do not even know what final offer selection is.

So I do not know why we get into this mind-set. I would say if you are heading in the wrong direction, say, you are going on a trip out on the Atlantic Ocean and you find out you are heading in the wrong direction. You do not maintain that course, you get back on course and say, hey, maybe I had better have a look at the bearing I am taking because it is the wrong bearing.

* (1130)

I think about also people in this room. We talk about final offer selection. I would like to talk about employees who work for the Legislative Assembly Management Commission, this group who have no right to The Labour Relations Act, have no right to The Employment Standards Act, no right to The Payment of Wages Act, no right to The Vacations with Pay Act and no right to The Workplace Safety and Health Act, to name a few. Maybe this committee should be looking at those employees, the only employer in the Province of Manitoba, the Legislature, the Legislative Assembly Management Commission, where their employees have no labour law rights at all. I just thought I would throw that out as maybe that should be the direction this committee focuses on rather than remove something that seems to be working.

I know you have received many presentations which include statistics. Let us say, out of so many applications that only a few have ultimately been concluded by a selector. Statistics are statistics. What is important are the people and what effect removing final offer selection will have on them. I think there is more benefit to retaining final offer selection than there is to be gained from removing it. I strongly urge this committee to reject the Bill to remove final offer selection. Thank you very much.

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

Mr. Ashton: Mr. Acting Chairperson, I think he did a very good job. It may have been your first presentation, but you did a very good job in expressing your concerns. It is interesting, you talked about a strike in 1978, I went through a strike in 1976, under much the same circumstances in Thompson. We went on strike against the federal Government and we won actually, on the anti-inflation board. I think it was one of the first times that happened.

I want to deal with strikes, strike situations and labour unrest, because these are all topics that have been

brought up in relation to final offer selection. It has been suggested, I know you have heard this question before, that final offer selection creates disruption in the workplace rather than lessening disruption in the workplace; that it weakens unions; that it weakens the accountability of the union leadership to its members.

I would like to ask you what your response is to those criticisms of final offer selection that have been made by those who are seeking to dismantle it as part of this Bill?

Mr. Olien: I do not believe it creates disruptions in the workplace. I think disruptions in the workplace occur on a natural basis. They have been in it since I guess the time of employer-employee relations. I do not think it creates any more disruptions at all with respect to weakening unions, no, I do not buy that at all. There is no evidence to the fact that it causes a union to be weak.

The Manitoba Government Employees' Association is a fairly large union in numbers. Financially, we can take out certain groups of employees probably at full salary for years and not worry about it. That is not the issue.

Our members dictate, if you will, what we do. We do not dictate to the members. It is a fallacy. It is almost like the big lie that gets promoted, that the union bosses tell the members what to do, that is total—I call it hockey pucks. I guess if you watch M*A*S*H, he uses the other words. That is not true, it does not weaken a union. The members, as an example, at the Communities Economic Development Fund decided on their own that is what they wanted to do. They are not the type of people who like to strike. Not many people like to strike. They are not—you know, the taxi workers, they do not work in, I say, the food retail store.

We have people at the Art Gallery who have exercised that right, too. They want to use final offer selection to settle the dispute. They do not want to be caught in a position of having to walk out or be locked out or whatever. All they want to do is have a reasonable chance of achieving a collective agreement, even if it had to be imposed by a selector, with our objective being that we will try to negotiate an agreement as we have in all cases. I reject that it weakens us or makes us any stronger, or anything of that nature. It causes no disruptions.

Mr. Ashton: I want to go a bit further because there has been suggestion that there is division amongst working people, amongst the labour movement. It goes back to 1987 when in fact there was some concern, even though the majority of unions that supported final offer selection, some expressed concern about it.

I would like to ask you, in your opinion, what you feel people are saying right now? Is there a division on final offer selection or are working people and unions in support of maintaining it?

Mr. Olien: I would say that the majority are in support of it. I think that just by our own experience with our union is indicating that. When final offer selection was

first talked about our union did not even contemplate we would ever use it, because our history has—we have been successful in negotiating many collective agreements with various employers and we still want to achieve that end.

I believe that the people the more they become exposed to what may happen to them embrace the idea. They see that as a positive alternative to the law of the jungle, of walking a picket line and all that entails or being locked out, the irreparable damage that can cause to friendships, things that never go away. I can remember strikes from 1965 that people in the post office still do not talk to each other. It goes back that deep. I think it has an effect on families, obviously, the business community, everything. It is an alternative. Maybe if this legislation runs its course, we could peer and say, well, we have used it 35 times and maybe we have passed the Manitoba Food and Commercial Workers. I do not know.

All I know is that our experiences seem to be that what where we thought at one time when it was being discussed we probably would not use it, we have now made two applications on it. We have possibly 80 more groups that are a potential for that, because our people do not want to strike. They do not want to just walk out and leave their jobs. They have responsibilities to their families and everything. Thank you.

Mr. Ashton: You mentioned two applications and yesterday we heard from Mr. Christophe, who can point at 17 cases where if final offer selection had not been available that could have very easily led to a strike situation. In the two cases involving MGEA, are you of the opinion that if final offer selection was not available it could potentially have led to a strike in those cases?

Mr. Olien: I think that with the number of units we have coming up for negotiations for '90-'91 there is certainly the real potential that if there is not another option other than to strike that we will have more strikes. I believe that.

The Acting Chairman (Mr. Pankratz): Any more questions? Mr. Ashton.

Mr. Ashton: Without final offer selection you feel the number of strikes may very well increase within your own union, within the MGEA?

Mr. Olien: Yes. That is true.

Mr. Ashton: One thing that has puzzled me throughout this committee hearing and puzzled me throughout debate on this entire Bill is exactly where the pressure is coming from in terms of getting rid of final offer selection. You indicated you are a resident of Transcona. I want to ask you in terms, not just of the people who are in the MGEA, but just in terms of people who you know in that community, are you picking up a large number of people who are saying, let us get rid of final offer selection? In fact, what are people saying about final offer selection in your community, in Transcona?

(Mr. Chairman in the Chair)

Mr. Olien: Well, I have not met one who said yet, people who I know, to repeal final offer selection or get rid of it or whatever. Not one has said, let us get rid of that darn piece of legislation, it is no good. I have not met anybody who has said that that I know of. The people who I have talked to, some are involved in other unions, realize that it is an alternative to walking out on strikes. Some of them have been on strikes. They know what it is like. They recall that and they say well, this is an option, I am willing to give it a try if that is going to produce something.

Final offer selection, those who are into it, know that as I mentioned earlier the duty within The Labour Relations Act to work toward getting a collective agreement. I see final offer selection really as an assistance if you will to achieving that objective under the Act.

There is also provision in The Labour Relations Act that is also we could argue is like a sort of selection process. That is the section that says every collective agreement shall contain the following section. It is basically the provision for arbitration to settle all disputes. Technically one could argue—I was just thinking about that—maybe that is a procedure that we could argue is to say hey, we have to settle disputes. Written right in The Labour Relations Act, there is compulsory arbitration in any collective agreement that does not impose arbitration. The Labour Relations Act has a section in it today that imposes that section on it that is deemed to be part of the collective agreement. Is that not a way of ending disputes and settling disputes in a civilized manner? I think it has some similarities.

* (1140)

Mr. Ashton: It is interesting then that you are not picking up people who are saying, let us get rid of final offer selection. That has been the general consensus of people before this committee. Quite frankly it has been my experience in my own constituency. I am not sure whereabouts you reside in Transcona, but obviously there are two Members who represent parts of Transcona, one who represents Transcona and another a part of it. Both are Liberal Members, both are going to be faced with a decision on this Bill, which way they vote, whether they stick to their entrenched position at the current time of voting for its repeal or whether they are going to change their mind and listen to the people in the committee who have made presentations and support our position which is to maintain final offer selection.

I would like to give you the chance, and I do not know if you have had a discussion, if you have been contacted by your MLA, perhaps you can indicate that in your answer, but if you have not been contacted, what is your message to your Member of the Legislature on final offer selection? What would you like to see them do in the upcoming votes on this particular Bill?

Mr. Olien: In answer to the first question, no, I have not been contacted. I believe Richard Kozak is my MLA. I have not contacted him either, in all fairness, although I will say for the record exactly what I plan to do. I

plan to phone him and let him know my views. My views are that they should not work toward the repeal of final offer selection. They should not support that at all. I think it is a disservice to the working people in Transcona as well as other parts of the city as indeed the entire province.

I would say there is no evidence to support such a move to repeal it. The evidence I understand is to the contrary. I do not believe one business has closed down because of FOS or has been adversely affected. The contrary is true. There is no need to do it, I would just—well, I guess from a personal point of view, well, I did not vote for them in the last election, I will make them a promise that I will go out to vote against them and work against them. That is a different issue, but I will say that to them direct.

Mr. Chairman: Mr. Patterson, were you—no. Mr. Ashton.

Mr. Ashton: The one thing that has come up throughout the committee, and the reason I have asked you and to give you that ability to raise this directly with your Members of the Legislature is that many people who really are not all that political, and we have heard this from people who made presentation, are beginning to start asking questions about final offer selection and why people are trying so desperately to kill it when it is put in, it is there for a five-year period, it dies anyway if it is not working. It has to be reintroduced by the Legislature, the whole process has to start again.

Just as part of my final question, you have indicated what you would say in terms of your MLA, what would you like to say to the other Members of this House in terms of final offer selection as to what you feel, not just in terms of your own sense, but what do you feel the people in your workplace, your community, are saying about final offer selection and what they should be doing as part of this committee?

Mr. Olien: The sense I get from the people I have talked to, that is at various meetings, with the community clubs or at work or it is through local meetings, is that the repeal of final offer selection is not advisable. There is no necessity to do so. It is the wrong thing to do and people should change their minds. I know one can have caucus solidarity and sometimes there may be individuals on all Parties, especially I would say the Conservatives and the Liberals, more to the Conservatives, that maybe I guess your Leader is saying, we have to defeat it, you go along with it. It is unfortunate because most, in terms of the Conservative Government, I would tend to think, the MLAs are out in the country and actually there is not a lot of labour relations acts, quite frankly, that go on in the country.

There is some, but not to the same extent as the city, so I do not see how they are affected by this. I would say to ask themselves, what are they doing for the economy in Manitoba? If the repeal of final offer selection, and not allowing it to run to its term, is going to have the potential to lead towards more labour disputes, and I suggest that is exactly what is going

to happen in this province, there will be no alternative left but either you take them on, you go to war and then it is war. I do not think there is any necessity for it. I think you have to ask yourselves, what is to be gained by repealing it? I cannot see anything to gain from it, and the reverse is true. There is more benefit to retaining it because the evidence is there. Negotiations have still continued. Nobody has shut down their operations because of FOS; businesses have left, but not because of FOS. Varta as an example had nothing to do with final offer selection, did it? So why are businesses maybe going or not coming? It is certainly not final offer selection.

There was a comment made last night about companies coming in, but companies coming in, you are not automatically organized. You do not cross the border and there is a certification slapped on your table. People have to decide whether they want to become a member of a labour organization. They decide that. They have this thing that there is some kind of a fellow out there on a black horse that is signing people up as soon as they cross the border. That is a total myth. I think it is a wrong decision.

I would ask all of you to do whatever you can to change your mind if you have to be changed, and for the Liberal side to give it another thought. I do not think there is anything to be gained by repealing it. The reverse is true. I know I am repeating myself.

Mr. Chairman: Thank you, Mr. Olien. Are there any more questions? Thank you very much. Is it the will of the committee to hear Mr. Robert Hilliard? He is here and he has been waiting a long time, No. 77.

Are there any more presenters? I am sorry, sir, I do not know who you are.

Mr. Paul Williamson (Private Citizen): Paul Williamson, I am on there. I am not sure what number I am.

Mr. Chairman: Paul Williams, No. 76.

Mr. Williamson: Williamson.

Mr. Chairman: Williamson, yes. Thank you. Would you go ahead, please?

Mr. Williamson: Good morning. In ordinary circumstances, I would tell you I am happy to be here this morning to talk to you about an important matter. However, when it comes to discussing the repeal of final offer selection, I am not happy at all.

Final offer selection is a resource that is so important to working men and women in the Province of Manitoba, and I am absolutely appalled that its repeal is even being considered.

For the past 25 years I have been involved in labour relations, representing workers in contract negotiations at the grievance table. I have stood with them on many occasions, actually any occasion I can think of in the City of Winnipeg, in particular on the strike line. I have participated in the process that leads to collective agreements that are fair to both workers and the

employer. I have always borne that in mind in terms of dealing with the employer that you have to be fair with the employer. You are not at the bargaining table to put that employer out of business, because if you put the employer out of business then you are putting the employees out of work.

I have seen up close bad-faith bargaining and I know how difficult it is for workers and their representatives to deal with it. Once bad-faith bargaining establishes itself in a relationship it becomes like a marriage that is on a fast slide towards the end. There is no example that I can really give you or cite so that you can share with me the feeling that you have when you are sitting at the bargaining table and the wheels come off the cart, when you are dealing with an employer who has proposed the repeal of virtually every clause in the collective agreement except those that deal with management rights and in some areas probably wants to strengthen those.

Your heart sinks because you know eventually that the men and women who live in the Province of Manitoba that you are there representing will have to choose between a broken union or a strike. Those are absolutely the choices that they are being faced with in a situation as I am describing. An employer who is determined to erode the wages, benefits and rights of workers holds nearly all the cards. It has always been that way.

All final offer selection has done is add a bargaining tool to both parties. Prior to the enactment of final offer selection, an employee really only had one way to respond to a determined employer. Strike action was that way. Final offer selection was designed to be and remains to be a tool for workers to use to encourage serious bargaining at the negotiating table. It is a mechanism that removes some of the temptation for an employer to embark on an anti-worker adventure using the collective agreement and the threat of lockout as the tools for this process. I have experienced that at the bargaining table on more than one occasion. Final offer selection is a way for workers to convince the employer that posturing and grandstanding to force a strike or lockout will not be fruitful.

I do not believe any discussion about the merits of final offer selection would be complete without taking a look at the human face of strikes and lockouts, the impact this situation can have on a workplace, a community, a family and on individuals. Some of you around this table, and I have heard Mr. Ashton speak about this several times, may have had personal experiences on a strike line. I believe it is safe to say that most of you have not.

* (1150)

I would like to share with you some of my personal experiences. The example I want to zero in on is in 1978, and the previous speaker referred to it. There was a bitter confrontation between the Lyon Government and the men and women who were employed by the province's Liquor Control Commission. The two sides, in terms of the collective bargaining process they were going through, had reached

agreement on all contract language with the exception of fair wages.

There were no so-called breakthrough issues involved in this dispute. The workers were simply looking for a wage that reflected the realities of the day, the rising cost of living, and to deal with the impact of the federal Government law that the previous speaker referred to, which was the anti-inflation Act—which was the anti-wage Act by any other name. The anti-inflation board established by the Liberals ostensibly to review wages and prices was a monumental failure. Prices rose dramatically, continued to while wages were tightly controlled. Then as now, Government policy on fighting inflation was carried on on the backs of workers, not businesses.

This situation had resulted in a dramatic erosion of quality of life for workers generally and these Liquor Control Board employees specifically. They had come off a 33-month agreement just prior to the implementation of the anti-inflation legislation. That 33-month agreement I guess at the beginning looked pretty good to them. Toward the end, with the rising cost of living, they were falling further and further behind. They negotiated themselves what was not a bad deal and had it rolled back by the anti-inflation board and suffered two more years under that particular situation and fell far behind where they logically should have been.

The employer's position on wages and the union's positions on wages were fundamentally different. As a matter of fact, there was quite a vast difference. With no option to turn to like final offer selection, the result was a seven-week bitter confrontation. It lasted exactly seven weeks. We had the strike vote on Thanksgiving Day and we ended the strike on Grey Cup day.

The toll that was exacted for all involved in that strike is difficult to share, but I am going to attempt to do so. Families that I came to know as a result of my involvement in that particular strike went without life's basic necessities. My family went without life's basic necessities because as the workers were striking I was accepting strike pay similar to them which was \$50 a week starting in the second week of the strike, nothing in the first week, and I believe in the sixth week it went up to \$75.00. It was not a lot. I had a young family and my family suffered. Every family in that particular situation suffered.

There were families that I got to know that actually split over the strike because the spouse and the children who were not involved in the strike were having difficulty understanding what was happening, perhaps were encouraging the person who was striking to go back to work to become what we commonly refer to in the labour movement as a scab. There were families split up, some of them never healed and that is an unfortunate situation. It is something that does not get reported in the paper. It is something that people are not really aware of as one of the prices that can be paid in a strike situation.

The public was inconvenienced, and our strike was not with the public. As a matter of fact, the two stores that remained open on limited hours from I believe,

Monday to Friday in the City of Winnipeg, and they were the only two stores that were open in the province, the lineups were long. They were letting people in six at a time. We did not have any problem with the public at all because our strike was not with the public. The public was unfortunately caught in the middle of the situation. Our strike was against the Lyon Government and their anti-worker attitude.

The province itself lost substantial income. I do not know what the income of the Liquor Control Commission is, but I can imagine the impact of having two stores open as opposed to the number of stores that are normally open, for seven weeks. They lost substantial income as a result of that strike, income that certainly could have gone a long way, if not all the way, toward solving the wage dispute that was at hand. The point I am trying to make here is that had final offer selection existed, I am not necessarily saying it would have been utilized, but I am sure that the Lyon Government might not have been so determined to ride on the backs of workers into a better financial position as a Government.

They would have brought an element to the bargaining table, and I am sure that an element would have come to the bargaining table in good-faith bargaining which might have brought both sides closer together, and the seven-week strike might have been averted. That would have been a good thing. Maybe this sounds stupid, but if I get involved in a strike situation, I am there and I tend to enjoy myself, not because I am a radical, not because I am some type of revolutionary, because I recognize that it is a horrendous situation for people to be in and if you cannot have a good time doing it, then you should not be doing it. There is a price to pay, there is a price that everybody pays that nobody really realizes the full impact of unless they are involved. Final offer selection as a tool can avert situations of that nature.

As I said at the outset, I am absolutely appalled that I have to be here speaking to retain something that can avert situations of that nature. No one likes a strike. Employers suffer lost revenue, workers can potentially lose everything, and society loses in general. Sometimes a strike or lockout cannot be averted because of the profound importance of the outstanding issues, and we all recognize that, but there are many situations in which a strike or lockout occurs needlessly because of the employer's philosophical bent or for other reasons. Final offer selection is useful in avoiding these situations.

As has been said before in these committee hearings, it boils down to a question of values. Should workers have a fair relationship with their employers, or should they be faced with a situation of addressing every disagreement through either capitulation or strike action? Those are our options without final offer selection. Surely there should be some position between these two extremes for employees to consider as an option. The New Democrats' position in this matter is clear. It was a New Democratic Party Government that had the political courage and moral conviction to address workers' rights by enacting final offer selection in the first place.

The Progressive Conservatives have been forthright and candid about their position on final offer selection. They were in 1987 when it was being debated, and they are again, as part of their election platform. They are a Party that represents the interests of big business. They were honest about this and their determination to repeal FOS is neither a surprise to workers, the general population or certainly me as an individual.

This leaves the Liberals. On the one hand they say they were acting in the interests of workers and harboured no anti-worker resentment. On the other hand they are acting in a manner that hurts workers in a major way. They tend to talk like New Democrats and act like Tories. It was not a great many days ago that the Liberal Labour Critic (Mr. Edwards) in a meeting that I was involved in patiently explained to me and others that his Party was hanging their hat on both sides of this issue. My response to that is, how Liberal. The workers of Manitoba and the constituents of many ridings are not surprised by how New Democrats and Conservatives are on different sides in this issue. I have had some opportunity within my own community, which is the north end, I believe Seven Oaks, represented by a Liberal MLA, Mr. Mینenko, to speak to some of my neighbours both on the street and at community activities about what is happening with respect to final offer selection.

I can tell you that I am extremely biased and extremely prejudiced when it comes to this issue. Certainly, when I am speaking to somebody I am willing to listen to their point of view, but I am also going to give them my point of view. I can tell you the reaction that I have received you know from my neighbours and fellow community people who I get involved with through my children and that. They are absolutely appalled at what is happening. They did not elect somebody to do something that is anti-worker. They act surprised.

I believe in many instances they are going to become vengeful toward the smoke and mirrors and double talk coming from the Liberal Caucus. I believe that the grass roots of the Liberal Party, and I do know some people who are involved in the Liberal Party, will be surprised and dismayed by the anti-worker actions of their caucus. I am positive they will be informed about your position at this month's Party convention. I understand there is a Party convention coming up for the Liberals on March 9 through 11 at the Westin Hotel, and I am confident that the explanations that we have heard so far with respect to why final offer selection is not worker friendly and should not be around is not going to mollify them. It is going to fall on deaf ears, because I am sure they are going to see the truth in the matter.

To sum up, the repeal of final offer selection is a regressive step that will hurt workers. I urge each and every Member of this committee to think long and hard before making your decision on this Bill. Your decision will have profound implications for workers in the workplace and for politicians in the fast approaching provincial election. Because of what I do and because of the way I am, my concern is for workers in this province.

My concern is not so much for the politicians, but I do recognize that politicians are in the driver's seat

when it comes to the issue of final offer selection, and I recognize that this is part of the process, allowing the general public to speak to the politicians about how you feel as an individual with respect to final offer selection.

Thank you for considering my thoughts on this matter, and I am certainly available for any questions.

Mr. Chairman: Thank you, Mr. Williamson. Are there any questions? Mr. Cowan.

* (1200)

Mr. Jay Cowan (Churchill): Thank you, Mr. Williamson, for that excellent presentation.

Mr. Chairman: Could you pull your mike a little closer, Mr. Cowan? We cannot hear you.

Mr. Cowan: Yes, thank you, Mr. Chairperson. Thank you, Mr. Williamson, for that excellent presentation. You, like many others who have been involved directly in strikes or lockout situations, have expressed your own personal opinion as to the effect of that strike and that lockout on yourself, your families, your members, your friends and other families.

The Liberal Opposition has said as part of their criticism of this Bill that they believe because of the winner-take-all, from their perspective, approach involved in final offer selection, it creates bitterness and animosity that last after the strike, that one of the parties has to be bitter because they did not have their own proposal selected by the selector, if in fact it does go to the selector in those rare instances where that happens.

I would ask you from your own perspective, having seen strikes, lockouts and final offer selection work, if not directly, from a distance, do you think that bitterness and animosity is more so as a result of a strike and a lockout or more so as a result of final offer selection?

Mr. Williamson: Definitely more so as a result of a strike. The previous speaker referred to the Liquor Commission strike of 1978, which I had direct involvement with. There are people who were friends prior to that strike who are no longer friends and never will be again. There were relationships between management, staff and employees, long established relationships that were decent relationships in terms of getting the business done, that have deteriorated and are still deteriorated to this day.

I have also been involved in other strike situations. For a period of time I was co-ordinating support for the Westfair workers in 1987 and got to know many of them, because that is what I do, I walk the picket line and I talk to people, because I want to know what their issues are, I want to know how they are feeling. If I am going to help them, I want to know what is happening there. I do not sit in the Union Centre and talk to people who are not out on the line.

The bitterness continues. I made many friends during the course of that strike, and the bitterness continues

between individuals, between those who struck and those who scabbed, between management and staff. The bitterness continues and surfaces in very specific ways. It is not uncommon in Westfair to hear of situations where somebody is being interviewed for a better job, an opportunity to go from 12 hours a week to something a little bit more meaningful in terms of employment, and one of the particular people, you know I am not going to name, because that individual is not here to defend himself, who does the interviews, quite often if it is a striker that they are interviewing, will spend approximately three-quarters of the interview talking about the strike and how did you feel about it and this and that, just sounding them out on that.

I can assure you that out of the people I know that have been interviewed by that individual, where the conversation has degenerated, if you will, to the strike, none of them received the promotions that they were after, none of them at all.

I have been involved in other strike situations where the bitterness just absolutely continues. It is not just bitterness in the workplace either. It is bitterness in family situations, as I referred when I was speaking. That is something that never, ever gets reported. That is a price that is being paid as a result of a strike that nobody knows about unless they have actually been involved in a situation in either a direct or an indirect fashion.

Mr. Cowan: Mr. Williamson, I am going to ask you some specific questions about your perceptions of final offer selection. Before doing so, just so that we are aware of your own experience in the area, can you describe to us your direct or indirect experiences with final offer selection as it has been used in Manitoba? I will tell you, what I am trying to do is establish your credentials with respect to your knowledge of the area and what has happened in particular in Manitoba over the past couple of years.

Mr. Williamson: Certainly. My first involvement with final offer selection starts in 1985 when it was an issue that was being debated, pros and cons, on the floor of the Manitoba Federation of Labour convention. At that point in time I was the staff representative with the Manitoba Government Employees' Association, who had made a caucus decision that they were going to support the attempt to get as part of the policy of the Manitoba Federation of Labour, final offer selection. I supported that caucus position and as a matter of fact spoke on the convention floor in favour of final offer selection.

In 1987 I was once again involved in this situation because it was being moved through a similar process such as this with the majority of the union speaking in favour of it and some unions speaking against it. Again our organization was involved in that particular process. I was still with the MGEA at the time.

It was enacted into law January 1, 1988. My involvement beyond that point with respect to final offer selection in terms of hands-on involvement was limited because during the period of time that I remained with the Manitoba Government Employees' Association, we

did not have any applications. However, in another capacity, which was as the chairperson of the strike support committee for the Winnipeg Labour Council, I was involved in one strike situation in terms of support where final offer selection eventually was invoked. That was the Unicity Taxi strike. Unicity Taxi employees had struck. They were not in a position in the first window to be able to apply for final offer selection, because the first window did not exist at the time 30 to 60 days prior to the expiry date of their contract. They struck for some 60-odd days and then eventually made a decision to go to final offer selection, and that was one of the few decisions that was ever carried through to the end.

Walking with those people, understanding what their feelings were and understanding what their issues were in terms of that strike, it became evident to me that when they did apply for final offer selection that had final offer selection not been available to them, one of two things would have occurred in my opinion. It is, in my opinion, an educated opinion. Either they would still be walking the picket line or they would have lost the strike. It is about as simple as that. In losing a strike, they would no longer be working there. So one of those two things would have occurred.

Since I have left the employ of the Manitoba Government Employees' Association I have done some work for the Manitoba Federation of Labour specifically in the area of final offer selection. One of the jobs that I did was, I have contacted every union in this province that was involved in the debate in 1985 and that was involved in the debate in 1987, including the unions that were opposed to final offer selection in 1987 and in 1985. To a union, without any exception, those unions have turned around and they are now part of an attempt to stop the repeal of final offer selection and they have given us that commitment.

Mr. Cowan: So you have had, at the very least, a wide range of indirect involvement with watching final offer selection unfold and seeing it used in this province. You have had some direct experience with respect to Unicity where you actually participated in a peripheral fashion.

Mr. Williamson: Yes.

Mr. Cowan: Okay. Then I will ask you the following questions. These questions are a series of approximately 20. They are based pretty much on the criticisms that we have heard from the Liberals and the Conservatives with respect to final offer selection. It is their perceptions of final offer selection and why they want it repealed.

What we have said all along is, those perceptions are without foundation in the real world. Theoretically one can understand why it is they took those positions, in a review of the literature but we do not think they reviewed all the literature. We do not think what in fact has transpired is in any way reflected in their criticisms. So they are relatively simple, yes or no, questions. We will run through all of them, and if you would care to elaborate on any of them please do.

It has been said by both the Liberals and Conservatives that they feel final offer selection decisions are a winner-take-all. In other words, that only one party wins and the other party is an out-and-out loser in the process. We have indicated that final offer selection unfolds in such a way that the parties really negotiate everything that they can. There may be one or two or three irreconcilable issues at the end, and a selector has to decide between those but the process generally is much more than a winner-take-all process. What would be your response to that criticism?

Mr. Williamson: My response would be in the vast majority of situations where I have been involved in collective bargaining both sides have come to the table with a fairly heavy package, 30, 40, 50 items is not uncommon from both sides. You add them up and you can end up with 100 issues that you are dealing with.

The reality is, with respect to those situations that have actually gone through to the end in final offer selection, there have not been 100 items, there have not been 80 items, there have not been 60 items, there have not been 50 items, there have been a handful of items that have been left. A number of items, obviously, have been resolved through the collective bargaining process.

With respect to the winner-take-all situation, the experience is not so. If you look at the balance—and it is probably a meaningless statistic—but there have been three decisions in favour of the union proposal, two in favour of the management proposal.

The experience of those who have been involved in those decisions have not been that they have seen bitterness in the workplace from the employer because it happened to be the union's position that was accepted, or vice versa, quite frankly.

I think Bernard Christophe, who was involved in three situations, one in favour of the employer's proposal, indicated very clearly last night that he thought the final offer selection process and the fact that it existed caused the employer to ever put a severance package on the table. That was the issue at hand. Yes, the union's position on severance did not get accepted, but a position on the part of the employer did get accepted. There is a good likelihood if final offer selection did not exist that the employer may never have tabled a position on severance.

Mr. Cowan: Mr. Chairperson, I think you have answered my second question already, because the question was going to be: If a decision was in favour of one party—and we are asking this of people who had actually been involved in final offer selection—did they feel that they got everything they were asking for throughout the negotiations? I can suppose from your answer that, no, that would not be the case.

Mr. Williamson: Absolutely not.

Mr. Cowan: We have asked the question with respect to ongoing animosity. The criticism has been that final offer selection decision resulted in ongoing animosity

between management and labour. The question was: Are the parties working together to make the contract work, because the criticism again was that because of animosity the parties would try to sabotage or at least ignore the contract and not make it work.

* (1210)

I would rephrase that question a bit and ask you, in your experience, do you think it would be more likely for a party to a negotiated contract to try to sabotage one that resulted from a bitter strike or one that resulted from final offer selection?

Mr. Williamson: Westfair is the best example of that. You know, I think it is the postal workers that use the expression, and it is being used in South Africa and many places, the struggle continues. Again, I have many friends who work for Westfair, and the struggle does continue. People who were supposed to be guaranteed 12 hours a week are not even receiving those guarantees in some instances, and they were very strong picketers, they were people who were picket captains. The animosity continues on the part of the employer. They are having to fight to get everything that is their right within the confines of the collective agreement. The number of grievances is a horrendous situation.

Previous speakers, Brother Trigwell from Local 111 talked about the situation at Fisons—and they have had a number of strikes at Fisons over the years where as a result of final offer selection the employer is finally talking a look at the labour relations situation and saying this is not acceptable anymore. So the experience with respect to strikes is, yes, the struggle normally continues, because both sides feel that they have been wronged. Both sides feel that they have lost.

Mr. Cowan: In essence then, there would be less likely that sort of animosity between the parties after final offer selection than there would be after a prolonged strike.

Mr. Williamson: Absolutely.

Mr. Cowan: There has been a criticism with respect to commitment to the agreement that because the parties let the decision, the final decision on the final agreement, outside of their own control, they would be less committed to their agreement because it was arrived at under final offer selection. Again, you have answered this in part, but I want to ask the specific question. Do you think that is the case with regard to your own experience?

Mr. Williamson: No.

Mr. Cowan: There has been a criticism in this area, particularly by the Liberal Critic who said that he felt the union is less accountable or responsible to the membership because final offer selection was used as a way to reach an agreement. What would be your response to that particular criticism?

Mr. Williamson: Absolute hogwash. As I said earlier, I have been a labour activist for 25 years. I have held

elected positions, I have held staff positions, and just the very nature of the process, the very nature of the democratic process within the labour movement—and I can speak not just about unions I have been involved with, but other unions—you have to be accountable to your membership, because if you are not accountable to your membership then you are not going to have anybody to be accountable to anymore, because you are not going to have the position. It is as simple as that.

We do not go to people once every four years and say, what do you think of us, have a very slick election campaign with lots of bucks flowing in from big business or where have you, say elect us, elect us, and have a leader and a whole bunch of 57 people running. It is not like a political process within a province such as the Province of Manitoba. There is more of a direct accountability. The direct accountability is a day-to-day direct accountability, because you constantly have contact with activists within your organization with membership who have needs within your organization, and you better be accountable.

Final offer selection does not remove you from that, because if it did, then you just simply will not be there anymore.

Mr. Cowan: You mentioned earlier that when this was first being debated there was some split within the labour movement, that the majority of labour was in favour of attempting looking at and using final offer selection as a tool to resolve disputes, not the only tool but one tool, but there were some that were against it. You indicated, now the case to your knowledge, is that to a union without exception, while those that expressed opposition to final offer selection a few years ago are now expressing opposition to the repeal of final offer selection, one of the reasons—and I participated in those hearings—that I heard on the part of the unions that had not had experience with final offer selection and were concerned about it was they felt that it might make the union weaker, because of a reliance upon arbitration rather than a strike or lockout or negotiation situation.

The Liberals have picked up on that particular criticism. They quite often express it in this form. They say that they believe unions will over time become weaker due to the use of final offer selection. Now, we have had experience of two years. I assume that the unions, because they have changed their minds, the ones that were in opposition or had concerns in the first instance, have come to the conclusion that is not likely the case, because I do not think they would support anything that would make them weaker. That is not in the union's best interest.

Do you feel in your own experience, in looking at what has happened in Manitoba, that the use of final offer selection has weakened or strengthened unions in this province?

Mr. Williamson: First of all, I have to respond to what the Liberal Labour Critic has been saying about that. Quite frankly, he is going to have a hard time convincing me that he really cares whether unions get weaker or

not. As a matter of fact, I would suspect that, based on my knowledge of him and the questions that he has been asking here, really that is his whole goal in this entire situation.

Final offer selection has not weakened unions, and I am sorry he is not here to hear that. I will say it to him in the hallway after. Final offer selection has not weakened unions. Indeed it has strengthened unions. It has added a bargaining tool. It is probably similar—and I do not know, I mean I was not around, I have been around for a long time, but I was not around when things such as conciliation and mediation were first contemplated you know but I guess there was a point in time that they were contemplated.

It has probably had a similar effect to what those particular methods which have been around for longer than I have, and are well used, and are valuable, they are tools that are available to the parties to try and bring the parties closer or indeed all the way to a collective agreement. Maybe when they brought those things in there were screams saying, we cannot have this, this is needless Government intervention, this is going to weaken unions, this is going to do this, this is going to do that.

It is a whole bunch of hogwash. It has not weakened unions. If anything it has strengthened unions, because it has added a tool. It has not given us the upper hand, and God I do not mind telling you, I would love to have the upper hand. I mean I make no bones about it. There is nothing very sophisticated about me. I am a trade unionist. That is what I do. If legislators or anybody ever gave us the upper hand, I would love it. No problem at all. But we do not have it. We are a long ways from it.

Mr. Cowan: There has also been criticism on the part of the Liberals and concerns that final offer selection creates a less peaceful labour relations climate in the workplace. Now I think you have addressed that already, but I wanted to make that specific point so that you are aware of what they have been saying in the Legislature and outside the Legislature with respect to final offer selection.

I would ask you two questions then very quickly. One, do you think it has created a more peaceful or less peaceful labour relations climate in the workplaces where it has been used or contemplated being used, and secondly, would you extend that question to Manitoba generally?

Mr. Williamson: More peaceful in both instances.

Mr. Cowan: One of the criticisms again from the Liberals was that because final offer selection was used to reach a final agreement, parties did not have a sense that they had participated in developing the contract.

Mr. Williamson: I think I have already addressed that by indicating that you know final offer selection has not taken 50, 60, 70, 80 or 100 items to final offer selection. There has been a process that has been gone through to get the list down to agree to certain items, and those items remain agreed to. That is part of the

final offer selection Act. The other thing is, both sides, in looking at their final offer, the final offer that they are going to place before that selector, are involved in that process. The selector is not picking things out of the air. He is looking at what you put on the table as the employer is looking at what the union puts on the table as the union. They have gone through a process there, so you know it is smoke and mirrors. It just does not add up.

Mr. Cowan: Mr. Chairperson, they have also said they think it creates unrest in the workplace and disruption in the workplace. We have dealt with that already.

Mr. Williamson: It has been a long time since they have been in a workplace if they think that.

* (1220)

Mr. Cowan: That is a good point. Thank you, Mr. Williamson. They have also said, particularly the Conservatives and the Liberals, that the fact that Manitoba has final offer selection would prevent people from starting, expanding, and moving businesses to Manitoba. There is a counterargument there of course, that the labour relations climate is better because of final offer selection and people consider the stability of the labour relations climate as much as they consider the legislation in making a business decision to move. I know I am asking you to step outside of your personal scope in some respect, but I know you have had a lot of dealings with people who have had businesses or run operations in Manitoba and therefore have that indirect experience in the area. Do you think it would have an effect on those people making those decisions?

Mr. Williamson: Let me just expand very briefly on my experience. I referred to the fact that I was employed by the Manitoba Government Employees' Association, which implies that I have only ever worked in the public sector. I was also a business manager with the International Brotherhood of Electrical Workers, negotiating contracts for a number of years in the private sector, so I do have some experience in the private sector.

My experience with employers, particularly where there has been a mature relationship, and there is a maturing process that you go through in terms of establishing a relationship, particularly with a new bargaining unit, that they recognize the viability of unions; they recognize the need of unions; they recognize that unions are a fact and they recognize that a positive labour relations climate does not include strikes. We have seen that happen in the construction industry, which is the industry I was involved in a number of years ago, where strikes used to be very commonplace and they are no longer. That is because both parties have worked toward improving what was a bad situation a number of years ago, if you go back to the late '60s, early '70s. It was a horrendous situation.

Final offer selection in legislation can only have a positive effect on the labour relations climate in any province. Speaker after speaker after speaker has indicated that if it had not been for final offer selection,

a good likelihood existed that more strikes would have occurred, that our strike days would not be down.

Any astute businessperson, any businessperson that is looking to get themselves involved in the economy of Manitoba is going to look at a situation like that and surely to God, common sense is going to prevail and they are going to say well, there is that. There is a decent labour relations climate. I do not think the Minister of Industry, Trade and Technology referred to it as "decent." I think he said it was great. I think he was right on when he talked about that. So again, it is smoke and mirrors. I mean, they are bogus arguments.

As I said in my remarks, it is a promise to big business on the part of the Tories and I really do not understand why the Liberals are doing this. They seem to be trying to carve out a territory that just does not exist and we are well aware that it does not exist. As I said earlier, they cannot talk like New Democrats and walk like Tories. It just does not work.

Mr. Cowan: Thank you, Mr. Williamson. You have answered a number of the questions that are on the list.

Mr. Williamson: Sorry about that.

Mr. Cowan: That is fine. I am trying to move along quickly. I have two more then. This is one I have some real difficulty even articulating to them. I cannot understand how there can be any basis in fact or any perception that such would be the case from anyone who had any awareness of how labour organizations negotiate and work in the real world. But, both the Conservatives and the Liberals have said they think that unions have purposely struck or locked out their employees, or management locked out their employees, or could purposely strike and then lock out, and then extend the length of time on strike or that involved in a lockout so that they can apply for final offer selection.

I would like your quick comments on that and I know you can express them forcefully and succinctly in this particular instance. But why would anyone ever make such a statement like that, from your own experience?

Mr. Williamson: Because they have no experience in that area. The average worker, when first contemplating strike action, thinks that they are going to be out there for three or four days because they all think that they are irreplaceable and they will be out there for three or four days. The union's job is to talk to them about the reality of that and talk to them about the potential length and you can only make predictions.

After that conversation has taken place people's backs have to be right up against the wall before they are absolutely going to make that decision of going on strike. Any union leader that thinks they could walk into a meeting of people who are going to be making a very hard decision and indicate to them that, no problem, all you have to do is be out for 60 days—is going to be lynched, yes—60 days is a long time. Many people, maybe people in this room, I can certainly count myself amongst that, if I lost income for 60 days, I

would lose a lot more than income. Sixty days is a long time. It is absolute hogwash. In fairness, maybe it is a statement that is being made by somebody who has not really experienced that labour relations climate.

Mr. Cowan: My final question is with respect to the criticisms, and some of the unions expressed this criticism or concern a few years ago. Again we know that they have rethought that position so I assume that they have dealt with this concern and discovered on the basis of experience that it did not happen, but I want to ask the question anyway.

One of the criticisms is that final offer selection could be used and then the union or the company could lose some principled-type language as a result of an arbiter coming forward and having to pick one side or the other. The argument is that maybe the union would try to sneak in something that would be very basic or maybe the company would try to sneak out something that would be very basic such as seniority or other principled issues of that sort.

From your position as an experienced union negotiator, would you ever advise your membership to try to sneak something into a final offer selection that is of that nature; a principled issue such as something that you fought long and hard and was well established within the labour movement or would you be concerned as I would think that if the company offer was accepted and they had tried to sneak in the same sort of a situation—I am having trouble articulating because it is a difficult process to explain. Let me rephrase it. Do you think that principled issues are at stake in final offer selection under normal or even extraordinary circumstances?

Mr. Williamson: No, I do not.

Mr. Cowan: Your answer was much more articulate than my question. I thank you for helping me out.

Mr. Williamson: It was shorter too.

Mr. Chairman: Are there any more questions?

Mr. Cowan: One last question. I am going to ask you to put yourself in another person's or another group's position, and I recognize the difficulty of this. I am going to ask you to look at this from what you perceive to be the perspective of the Liberals.

Speaker after speaker after speaker from the labour movement has stood up like you have and you have given an excellent presentation and answered the questions I think in a very forthright, honest and excellent way and helped us gain insights, even some of us who have been involved directly in the labour movement to gain some insights, into why this issue is so important to Manitoba labour. Speaker after speaker spoke very strongly in that regard. You said yourself that you consider the arguments to be bogus arguments, smoke and mirror arguments. The criticisms and the concerns that have been expressed by the Liberals just do not exist, certainly not in reality. One would not think they would exist in anyone's

imagination. Our experience has shown them to be bogus arguments, or to reiterate your comments, smoke and mirrors.

Why is it then that—and we have talked to the Liberals daily on this, asking them if they would move a bit and try to reach some situation where we can save final offer selection. Why is it in your opinion, putting yourself in their shoes, do you think they are not prepared to do that?

Mr. Williamson: I do not know why they are not prepared to do it. I think if they are listening and they have indicated publicly, they indicated at a meeting that I was in attendance and they have indicated in a public fashion through the news media that they are willing to listen. I think if they are listening they have no choice but to change their position. I hope they do. I hope in my heart of hearts that there are people in that caucus who have a point of view that perhaps coincides with my point of view and coincides with the point of view of many of the people that we have spoken to. I hope they have that personal perspective inside them and I hope they are successful in convincing some of their colleagues, who seem to be hawks on this issue, that they are wrong, that they are absolutely wrong, that they are absolutely on the wrong side of this issue.

If they are looking to be worker friendly then they are not going in the right direction. They certainly are not going in the right direction. I do not know why they are on this bent unless they have made a promise somewhere, the Chamber of Commerce, to business. As I said earlier, I think I referred to it rather loosely earlier, maybe they are trying to carve out a sort of political place in the sun that they think they are going to be comfortable in. Well, I suspect it is going to be hot, yes.

Ms. Judy Wasylycia-Leis (St. Johns): On a related question, since it ties in very much to the question of the Liberals' actions to date around this important initiative, final offer selection, not from your perspective as a trade unionist but as a north-ender, you mentioned you are a resident in the north end of Winnipeg, that you are familiar with some of the thinking in that part of our city.

I would like to ask you, given that the north end has traditionally been an area in our society, in Manitoba as a whole, for progressive ideas, for paving the way for bringing in new reforms that have been important to our society generally, is that the case from your perspective? Would it be your experience that final offer selection is particularly important in communities in the north end?

Mr. Williamson: The answer to your first question is yes. The answer to your second question is yes, but I want to expand on that, so much so that it is my

personal commitment that with respect to the issue of final offer selection, I am going to be doing some further work in the community to make sure that there is a message going out to make sure that people know where my MLA, Mr. Minenko, sits on the issue.

* (1230)

I am hoping to be able to recruit some people who can do the same similar process in other areas of the north end, so that we are able to get a message out as to what people, what their MLA is doing with respect to this issue that they are coming out anti-worker. There is absolutely no question the north end has a strong, proud tradition of being in my opinion on the leading edge of social change, and I do not think they are going to be happy.

Mr. Chairman: The Honourable Member for St. Johns—is it the will of the committee to let the Honourable Member have a few quick questions here, or did you want to rise, the hour being 12:30?

Mr. Cowan: Can you come back tonight?

Mr. Williamson: I can come back tonight.

Mr. Cowan: If the Member can come back tonight, maybe we should rise.

Mr. Chairman: Just whatever the will of the committee is.

An Honourable Member: If they are quick questions—

Ms. Wasylycia-Leis: Well, I have got a few, so you never know.

An Honourable Member: With a half-hour speech before each question—

Mr. Cowan: Well, sometimes it is hard to get people to understand the situation . . .

Mr. Chairman: What is the will of the committee? Do you want to—

An Honourable Member: Committee rise.

Mr. Chairman: Not yet. I have not heard from here. What is the will of the committee? Do you want to rise, or do you want to have him come back, or do you want to just finish it off, or what do you want to do?

An Honourable Member: Committee rise.

Mr. Chairman: Committee rise, okay.

The hour being 12:30, committee rise.

COMMITTEE ROSE AT: 12:32 p.m.