

LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON INDUSTRIAL RELATIONS
Saturday, February 24, 1990.

TIME — 10 a.m.

LOCATION — Winnipeg, Manitoba

CHAIRMAN — Mr. Edward Helwer (Gimli)

ATTENDANCE - 10 — QUORUM - 6

Members of the Committee present:

Hon. Messrs. Ernst, Filmon, Hon. Mrs. Hammond
Mr. Edwards, Ms. Gray, Messrs. Helwer, Pankratz, Patterson, Plohman, Storie

WITNESSES:

Mr. Jim Murphy, The Operating Engineers Union, Local 901
Mr. Lou Harries, Private Citizen
Mr. Ron Cote, Private Citizen

MATTERS UNDER DISCUSSION:

Bill No. 31—The Labour Relations Amendment Act

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Mr. Chairman: Good morning, I call the Standing Committee on Industrial Relations to order. The Standing Committee on Industrial Relations will resume hearing public presentations on Bill No. 31, The Labour Relations Amendment Act. I will shortly read the names of the presenters from the first page of the presenters list.

If there are any members of the public who wish to check and see if they are registered to speak to the Bill, the list of presenters is posted outside of the committee room.

If members of the public would like to be added to the list to give a presentation to the committee, they can contact the Clerk of Committees and she will see that they are added to the list.

If we have any out-of-town presenters who have to leave shortly, or 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.

Did the committee Members wish at this point to give some indication to members of the public as to how long we will sit this morning? When do we want to break for lunch?

An Honourable Member: 12:30?

Mr. Chairman: Do you want to break at 12:30 and resume at -(interjection)-

We will break at one then. Okay. I would also like to remind committee Members that the committee agreed to sit until five for this afternoon's sitting.

Picking up from where we left off yesterday, the names—page 1 of the presenters list is as follows: first is Bev Seman; Jim Murphy; Buffie Burrell, Ken Crawford; Linda Fletcher; Irvine Ferris; Lou Harries; Randy Porter; George Bergen; Patrick Martin and Bruce Buckley.

So we will start with Ms. Bev Seman. Is she here this morning? -(interjection)- We will go on to the next one then, Mr. Jim Murphy, the Operating Engineers Union, Local 901. Mr. Murphy, do you have a written presentation?

Mr. Jim Murphy (The Operating Engineers Union, Local 901): Well, I just have my own personal notes, but I have made copies, if anybody wishes.

Mr. Chairman: Do you have a copy for everyone? Perhaps if you would just wait a minute till we get these distributed, please. Okay, Mr. Murphy, would you please proceed.

Mr. Murphy: My name is Jim Murphy. I am a business rep with the International Union of Operating Engineers. My presentation just consists of my personal experience using the legislation. What I have before you is, we have used applications for final offer selection 13 times. I have listed all the employers, the date we filed the application, the number of meetings we have held and if there was a negotiated settlement or if there was a decision handed down by the selector. I would like to briefly go through each case.

The first application made was January 20,'88, and it was with the Rural Municipality of Springfield. There was a total of three meetings there and after the three meetings negotiations came to an impasse and we filed for final offer selection. In that case, a selector's decision was handed down. Subsequent to that, that collective agreement has expired and the union has successfully negotiated a second collective agreement there without the use of final offer selection. In that case, the relations between the union and the employer have actually become better.

* (1005)

The second case is with the Rural Municipality of Brokenhead. There was one meeting and we actually reached agreement at the first meeting with the selector. The first meeting was to determine the number of outstanding issues, and at that meeting with the aid of a selector we actually came to an agreement.

The third application was with the Rural Municipality of Lorne and it was filed—although the collective agreement expired on the 31st of January and we generally wait until the last day, you will notice that

application was filed on November 8. We had sent out a notice to negotiate September 6 and the union proposal on September 6. We had meetings on September 26 and October 25, '88. At the end of the second meeting the council had informed us that it was a decision of council that they were only prepared to look at a wage increase. The R.M. indicated at that point that they were prepared to go to FOS. We had applied and a settlement was reached, a negotiated settlement was reached in that case, January 5, 1989.

The one comment I have on this particular application is that if it were not for final offer selection the only alternative the union would have had in this case where the council actually made a decision without negotiations to say that this is the position and we are not changing right from the outset. The first meeting they had already said the proposal went before council and council made a decision and they were not moving. The second meeting was, we wanted to confirm that was in fact that they were not prepared to change and they indicated they were not and indicated to us that they were prepared to go through final offer selection. If it were not for the final offer selection being available, the only alternative to the union would have been to file with the Manitoba Labour Board unfair bargaining charges against the employer and go through a Labour Board hearing.

The next application was with the Rural Municipality of St. Clements. The union sent their proposal to negotiate for an agreement that expires on the 31st of December '88, September 1. The union sent their proposal on September 20. There was a series of meetings after that on December 18, 30 and January 5. A selector was appointed and that one concluded in a selector's decision being handed down April 12, 1989. Also with the Rural Municipality of St. Clements, although there has been a drastic change in the council and the make-up of council with a new reeve and three new councillors, relations there have also improved.

In the case of the R.M. of Louise, we had filed for final offer selection December 1, '88, for an agreement that expires on the 31st. We sent our notice to negotiate September 1. Proposed changes followed September 16. After that we had a meeting on December 7, at which time we reached a negotiated settlement.

The next one was with the Rural Municipality of Dauphin. We filed on December 1, '88. A notice to negotiate was sent September 1, '88; union proposal October 10. There was a series of meetings, five meetings in all, November 4, 9, 18, 19 and 30, at which time negotiations reached an impasse and we filed for final offer selection. In that case an agreement was reached. Although I do not have it noted, there was at the actual selector hearing that with the aid of the selector again, we reached a negotiated settlement. Also I would say in that case negotiations and relations have continued, and they are good relations.

The next case was with the Rural Municipality of Birtle. We filed on December 1, '88. Notice was sent to negotiate September 1, '88; the union proposal October 5, '88. There was a meeting on November 3. There was no agreement reached, and it looked like there was an impasse at that point, although after we filed for

FOS we did meet again December 13 and reached a negotiated settlement.

The next case was the Rural Municipality of Montcalm. We filed December 1, '88. Notice to negotiate was sent September 1, '88. The union proposal followed September 6, '88. We had meetings October 24 and October 28, and we had not reached an agreement. We filed for FOS, and subsequent to that we had a series of meetings. We reached agreement January 27, '89, on a negotiated settlement.

The next one, the R.M. of Tache, was filed December 1, '89. Notice to negotiate was sent September 18. Union proposal followed October 18. Because of the municipal elections this year, it was almost impossible to meet, so we had filed before we could arrange a meeting, but we did have a meeting December 8. We reached agreement on December 20, 1989.

* (1010)

The next one was the Rural Municipality of Brokenhead. The application was filed December 1, '89, for an agreement that expires December 31. Notice to negotiate was sent on September 18, '89. Union proposal was sent October 19. There were a series of meetings, December 12 and 19. Subsequently we reached a collective agreement on February 6, 1990. In all those cases where we did reach a negotiated settlement, we withdrew our application for final offer selection.

The next case is the Rural Municipality of Lac du Bonnet. We filed December 1, '89, for a collective agreement that expires on the 31st. Notice was sent October 1 with the union proposal October 25. Again, because of the municipal elections, no meetings were held before we filed because they were unable to meet. Meetings were held December 21, January 4, January 12, January 19, and to date we still do not have a negotiated settlement, but we are close to a settlement. There has been a selector appointed, so it is proceeding with FOS, but I feel confident that we will reach a negotiated settlement.

The next one is with the Rural Municipality of Oakland. We filed December 1, '89, for an agreement expiring on the 31st. Notice was sent October 2, the union proposal the 25th. We met on November 30, and again this is one of those cases where we at the first negotiating meeting met the R.M. Council, informed us that they had reviewed the union proposal, and they were not prepared to look at any changes except a wage increase. It was on that, that we filed for FOS. The only other alternative, if FOS was not available, would be an unfair labour practice charge for failing to negotiate in good faith. That one also is proceeding right now through the FOS. There has been a selector appointed, and we hope to get some dates in the near future.

The next application was with the Rural Municipality of Gilbert Plains, and it was filed December 1 for an agreement expiring on the 31st. This application was dismissed by the Manitoba Labour Board on a technical legal argument on what 30 days meant, so it was dismissed.

That is my experience as a union rep with the final offer selection legislation. All of these employers have been relatively small employers with units from five to 18 people. In all of these cases, the employees felt that because of the size of their bargaining unit that to try and obtain the changes to the collective agreement through the strike mechanism would not be successful.

That is the end of my presentation. The only comment that I have is that in our particular case the legislation has worked well. It has brought the parties together, and in the majority of cases we have ended in a negotiated settlement to the collective agreement.

* (1015)

Mr. Chairman: Thank you, Mr. Murphy. Are there any questions to the presenter? Mr. Storie.

Mr. Jerry Storie (Flin Flon): Thank you, Mr. Murphy, for that presentation. I think I want to thank you for coming to committee this morning to present your views. I think it has been very instructive and I hope it has dealt with a number of the issues, criticisms, that have been raised by the Government and by the Liberal Opposition with respect to final offer selection.

One you have mentioned on a number of occasions is that having used final offer selection, the relationship between the bargaining unit and the municipality in this case actually improved. I suspect, but perhaps you can confirm if there are other reasons, that a strike in most of these areas, relatively small communities, tends to be bitter. Is the mechanism of FOS being used to avoid those kinds of things on both parties part?

Mr. Murphy: I feel definitely that especially in these cases, in small communities where the public works employees of any municipalities are possibly neighbours of the councillors and certainly neighbours of a lot of the ratepayers, that a strike would be bitter and carry lasting feelings. In our case, we are glad that there is a mechanism there. Through the use of it relations have improved.

One of the reasons is that after the selector's decision, in the case of the selector's decision, we have often gotten together again with the municipality and reviewed the selector's decision and even gone so far as to draft the collective agreement and sign it and submit it to the Labour Board.

Mr. Storie: Out of all of the applications for FOS, the selector has only made two decisions?

Mr. Murphy: In all of the 13 applications the selector has made two decisions. The first one was with the Rural Municipality of Springfield, and it was in favour of the union. The second decision was with the Rural Municipality of St. Clements, and it was in favour of the employer.

Mr. Storie: Mr. Chairperson, the Premier (Mr. Filmon) is sitting here and my Liberal colleagues are sitting here who oppose this legislation. We have before us today a labour leader who the Leader of the Liberal

Opposition claims asked the question, who speaks for organized labour? We have a labour representative here this morning who has used FOS, who tells us that it is working, who tells us that it is not creating animosity, that in fact it is bringing the parties together who have used it successfully to reach collective agreement without strikes, which everyone at this committee I hope says, we do not want, who has had a selector choose the employer's position in one occasion and the union's position in another, who comes before the committee and still maintains that this is good legislation, it is working in the interests of Manitobans and the people of the province. I would ask you, Mr. Murphy, has the Premier, has the Minister of Labour, has the Member, any Member, the Liberal Leader, have they ever contacted you to ask you about your experiences?

Mr. Murphy: No.

Mr. Storie: Mr. Chairperson, does it make any sense to you, Mr. Murphy, to have the Government attempting to remove this type of legislation without talking to the people who use it, the people who have experience with it, the people who may depend on it to prevent strikes? Does it make any sense to you?

Mr. Murphy: I feel if the Government were to sit down with the people who have used it, the people who have been affected by it, I think they would come to the conclusion that it is valuable legislation and should be retained.

Mr. Storie: It is interesting, first, you referenced the first set of negotiations where final offer selection was used. You mentioned that in all likelihood, and in fact in a couple of cases you have mentioned that there was not much good intention, good bargaining faith at the outset of negotiations where proposals were laid out on the table, and take it or leave it, we are not talking about it.

In your opinion, would most of those or would some of those have lead inevitably to strikes and to long protracted strike?

Mr. Murphy: I guess the ultimate decision for a strike would have been up to the members of the bargaining unit. It would have been either a strike or low wage settlements and in some cases actually concessions.

* (1020)

Mr. Storie: I guess maybe this is a touchy subject, and I am somewhat, feel some intrepidation in marching into this territory, but I would ask you in your opinion whether the agreements that have been reached, were there any improvements, gains made, that have proven to be too onerous for the management, the municipalities?

Mr. Murphy: No. I feel that the negotiated changes to these collective agreements were accepted by both parties and both parties feel that they are fair and reasonable.

Mr. Storie: The end result of the process is an agreement that both parties can live with.

My next question is that there was some suggestion by Members opposite, Government and the Member for St. James (Mr. Edwards), the Labour Critic, that somehow these kinds of negotiations lead to winners and losers. Is the use of final offer selection any different in your opinion than the normal bargaining process in terms of the conflicts that it creates between the bargaining units?

Mr. Murphy: In my experience it has not created winners and losers. In the cases of the negotiated settlements, the relationship between the employer and the union is strong, and it is a good relationship. In the two cases where the selector has handed down his decision, I would say in both of those cases, through the use of the joint conference committee, that provision of the collective agreement, that the relations have improved.

Mr. Storie: Mr. Chairperson, perhaps I could take a few moments to talk about some of the details of the negotiations. I do not want Mr. Murphy to betray any confidences, but I am wondering for example in the R.M. of Dauphin case, where agreement was reached back in February of '89, before FOS was applied for, how many issues were outstanding, if you can recall in that detail? Were there a lot of issues outstanding?

Mr. Murphy: There were six issues outstanding at that time.

Mr. Storie: When final offer selection was applied for there were a number of outstanding issues. Yet somehow agreement between the parties was reached. Why does that happen? Why in your opinion can FOS be useful and in your experience has been useful in bringing the parties together and concluding what we all want at this committee—the Premier (Mr. Filmon) can indicate if he wants something else—but a successful set of negotiations.

Mr. Murphy: In all of the cases, after the application for final offer selection, we have made it a point to communicate with the employer, indicate that we are prepared to meet at any time to sit down and talk about the issues. In the case of the R.M. of Dauphin, when it finally went into the selection hearing, I think the parties between themselves had reached agreement on four of the outstanding issues. With the aid of the selector, the other two were reached and agreed to between the parties.

Mr. Storie: Mr. Chairman, one of the things that we have said, not only we, but people who have studied the use of final offer selection in other jurisdictions, was that final offer selection forces the parties to focus on the outstanding issues and see if there is a way to resolve them, because neither one of the parties wants to be caught with their pants down, in effect, have to go back to their respective parties and say, we put a final offer on the table that was just not acceptable, that the object is to get as close together and make as reasonable a proposal as is possible. In your opinion, and this is again asking for an opinion, in that process of narrowing your objectives, is there any danger from

the union's point of view of having the selector choose the other party's proposal?

* (1025)

Mr. Murphy: Our experience has shown that on the outstanding issues, when it gets down to putting your final position to the selector, when you in fact look at the final positions, although they were not communicated to either side before they were communicated to the selector, and when they are communicated to the selector, he then gives each party a copy of the other party's final position, you see often that positions are not that far apart. At that point usually another meeting will resolve it.

Mr. Storie: As I read you right, what happens is that both parties—there tends to be an unwritten understanding of what is a reasonable solution, and that in final offer selection, when the moment of decision comes for either party to ask the selector to decide, is it A or B, the parties tend to start saying, yes, well, we are on common ground here in most of these cases and we can resolve this.

Mr. Murphy: That has been my experience. Yes.

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

Mr. Storie: Mr. Murphy, we have a \$64,000 question. Why are the Government and Liberals trying to do away with final offer selection?

Mr. Murphy: I guess the only way I can answer is, what you read in the paper, that No. 1, they see it as a tool that hampers management. That would be the only reason I could see the Government or the Liberals wanting to remove final offer selection, is to take a valuable tool away from the workers and give that much more power to management when it comes to negotiating a collective agreement, especially as it affects small bargaining agents.

Mr. Storie: We find it very interesting that that could be the view of the Premier (Mr. Filmon) or the Members of the Liberal Party when there are no businesspeople here today to tell us why we should not continue to use final offer selection in the Province of Manitoba.

Mr. Ryzebol, who is from Westfair Foods, SuperValu, who is one of the most virulent anti-labour individuals I have ever met, did not come forward. The Minister of Labour (Mrs. Hammond), to my knowledge, has asked one simple question to presenters about the use of final offer selection. They have no intention of defending their actions, none—

Mr. Chairman: Order. Mr. Storie, I want to remind you that you must keep your questioning pertaining to the presenter's views or the presenter's—order. The questions to the presenter should be questions for clarification, not statements. Mr. Storie.

Mr. Storie: Thank you, Mr. Chairperson. I apologize if I overstepped the bounds. I was attempting to get

clarification from the presenter as to his views of why this legislation was before us. Obviously I would like to be able to use that information from presenters and from the public in our continuing arguments to convince the Liberals and the Conservatives that this course of action is not good for labour relations in the Province of Manitoba. It is not good for the province, and it is going to contribute to strikes.

My final question I guess, Mr. Murphy—there are other presenters here today—and that is, in your experience to date with final offer selection, can you see any justification for an attempt to repeal final offer selection when there is a sunset provision in the legislation which will allow the province to continue this experiment in labour relations activity for a period of another three years? Is there anything that is so obviously wrong with final offer selection that it should not be allowed to continue so we can assess it after a full five-year period?

Mr. Murphy: In my view, the legislation has been available for over two years. It has less than three years to run. My experience with the legislation is that it works and it works well. It brings the parties together and it produces reasonable settlements when the only other alternative may in fact be a strike. In my opinion, this legislation should remain until the sunset provision, which is less than three years, because it works well.

* (1030)

Mr. Paul Edwards (St. James): Thank you for your presentation, Mr. Murphy. Simply to deal first off with the allegation by my colleague on the committee that somehow we had not spoken to the operating engineers, I believe Mr. Hopkie is the president, is he not, of the operating engineers, and if I am not mistaken, Local 901?

Mr. Murphy: Yes, Mr. Hopkie is the president.

Mr. Edwards: Thank you. I have had occasion to speak with Mr. Hopkie, and I am sure he will confirm that. I have not had the opportunity to speak to you personally, Mr. Murphy, but I assume that Mr. Hopkie as well is familiar with these various times it has been used by the operating engineers. I have spoken to him and enjoyed my meetings with him.

Mr. Murphy, you have indicated that the municipalities liked the use of final offer selection or felt that it worked for them as well on these cases. Was that what I am to take from your presentation?

Mr. Murphy: I did not say that the municipalities liked the use of final offer selection. I said that the relations have improved in both cases where the selector has actually made a decision. In all of the cases a negotiated settlement was reached before a selector made a decision.

Mr. Edwards: When you say relations have improved, obviously that is from your perspective. You are not speaking here today for the municipalities with respect to that conclusion.

Mr. Murphy: In the case of the Rural Municipality of Springfield, we have sat down and concluded our second collective agreement without the use of final offer selection, and we have had a number of joint conference committees. My feelings from dealing with the committee of council and the full council, and for a first time being invited to their Christmas party, that relations have improved.

Mr. Edwards: It is amazing what Christmas parties can do, Mr. Chairman. I certainly enjoy being invited to them.— (interjection)— In fact, Mr. Plohman, you missed it yesterday, but the Building Construction Trades had a Christmas party at which myself and Dr. Patterson were there. You certainly were not, as well as any other Member of your caucus. We had occasion to meet a lot of the prominent—

An Honourable Member: Christmas parties could solve all your problems.

Mr. Edwards: Well, it is a place, Mr. Plohman, to do the kind of discussion that your colleague has harped on as us not doing. It is the kind of informal discussions which can educate both sides.

Mr. Murphy, I take it from your last comment that obviously those are your feelings. I do not know. We have 107 presenters. I will look forward to hearing from the municipalities if they are pleased with that. I assume that if they have been pleased with the process, they will come forward to the committee and tell us that. I do not see them listed yet. There is certainly room to add on to the list.

Mr. Murphy, it was suggested to myself by one of your brothers in the union movement, the head of the telecommunications union, Mr. Hales (phonetic)—I do not know if you know him, it is a relatively new union—that one thing we might consider might be to establish the same right to go to final offer selection on the part of the employer, that is, go directly to the Labour Board to ask for the final offer selection right. I have canvassed that with the head of the Manitoba Federation of Labour, with some of your brothers yesterday who appeared before us, and they have consistently recoiled from that suggestion and indicated that would not be acceptable to them in any way, shape or form.

I wonder if you might comment on that, in particular because I note that the St. Clements' case was a case in which, I believe, the employer made the application for final offer. It was not in fact the union that had gone to get final offer selection. I may be wrong about that, maybe you can correct me. I would like a comment as to Mr. Hales' suggestion which I quite clearly perceive to be very damaging to the interests of workers.

Mr. Murphy: I do not know Mr. Hales. With regard to the Rural Municipality of St. Clements, it was the union that made the application. The selector's decision was in favour of the municipality in that case. It is my understanding that the union and the employer both have the right now to apply to the Labour Board, and only the workers have the right to choose. I feel that is the fair way.

Mr. Edwards: Just to clarify, the suggestion by Mr. Hales was that the employer not have to seek the ratification of the workers, that the employer go directly to the Labour Board. I take it from your response that would be totally unacceptable to Local 901.

Mr. Murphy: To the bargaining units on behalf of which we have used final offer selection, I think they have made the decision, and they are quite capable of making the decision when they have a report on negotiations. I feel that they should retain that decision-making over the use of final offer selection and not the union being able to implement it solely or management being able to implement it solely.

Mr. Edwards: Aside from this St. Clements case and the many other cases in which you have been involved where the union has asked to go to final offer selection, can you indicate what the average level of support has been amongst workers when it has been asked for and recommended by the negotiating team?

Mr. Murphy: In the vast majority of cases, the negotiating committee consists of at least a quarter or sometimes half of the bargaining unit. So they have first-hand experience with the items that are on the table and with the position of the employer's negotiating committee. In the vast majority of cases there has been a majority—obviously there has been a majority because we have used final offer selection, but in many cases it has been unanimous.

Mr. Edwards: I wonder if you are familiar—I gather from hearing your presentation and thinking about the employers involved that generally the bargaining units are fairly small in these cases. Is that a correct assumption with respect to these? It may vary, but generally are the bargaining units relatively small?

Mr. Murphy: Yes, the bargaining units are generally between five and 20 employees.

Mr. Edwards: I wonder if you are familiar, Mr. Murphy, with a decision rendered by Mr. Chapman, who I know you will be familiar with because he was a selector in many of the ones in which you were involved in. It was a case involving the Unicity Taxi company, and the Manitoba Food and Commercial Workers—I appreciate you were not involved in that case—where he came to the conclusion that final offer selection had not worked. He was not pleased with the fact that he was locked into the final offer mechanism specifically, that he had received two final offers, both of which were unreasonable. He felt tied and bound obviously to make a decision, but regretfully. I wonder if you have any comments on that case, given that you are indicating that it can do nothing but assist parties in working out their differences.

Mr. Murphy: I am not personally aware, I do not have a copy of that decision, I have no comment really on that decision.

Mr. Edwards: Thank you, Mr. Murphy, for your presentation here today.

Mr. John Plohman (Dauphin): Mr. Murphy, from what you have said, do you believe that what some might call a threat of FOS has promoted negotiation and movement by both sides? The fact that FOS looms.

Mr. Murphy: Well, I would not say it was a threat in each case through the process of negotiations. Both parties were aware that it was available, and in the majority of cases where we have applied we have ended up with a negotiated settlement. Whether the employers perceive that as a threat or not, I do not know.

* (1040)

Mr. Plohman: In your opinion, this is following somewhat on what Mr. Storie (Flin Flon) asked earlier, is there an evident desire by both parties to appear reasonable because FOS is there?

Mr. Murphy: In our cases and in my experience where FOS has been applied for, the majority of cases we have reached a negotiated collective agreement that was fair and considered fair by both sides.

Mr. Plohman: Yes, that may have been coincidental or it may have been a major factor. Do you think that FOS has played a major role in the resolution of the disputes in all of the 13 cases that you have mentioned here today?

Mr. Murphy: There is no doubt that we reached agreement because if we did not a selector would finally make the decision, and it brought both parties to put, as their final position, fair and reasonable proposals on the table, at which time then we concluded a collective agreement.

Mr. Plohman: So you would say then that it did play a role, the fact that FOS was an option you were leading to?

Mr. Murphy: Yes, it did play a major role.

Mr. Plohman: Mr. Chairman, Mr. Murphy said earlier that he thought his opinion was perhaps that the Liberals and the Conservatives think it might hamper management, so that is why they are bringing this forward. I mean, we are trying to explain the unexplainable. Do you think FOS does hamper management and that removing it would give more powers to management?

Mr. Murphy: I think the removal of FOS, in my experience, would make management more determined to get the changes they initially asked for and would cause more strikes, particularly among the bargaining units we deal with.

Mr. Plohman: Mr. Murphy, do you think strikes would have made winners of management?

Mr. Murphy: I do not think strikes would have made winners out of management or the union. I think in the communities that I refer to, strikes would have caused

bitter feelings and lasting feelings. A negotiated settlement is preferable in both to that.

Mr. Plohman: You would not say there would be any winners in a strike situation in those situations?

Mr. Murphy: No, there would be no winners.

Mr. Plohman: What you are really saying is that FOS has contributed to improving communication and forced both sides to communicate, which has led to better relations and avoided the situations where there would be no winners?

Mr. Murphy: Yes, FOS has contributed to communications and in fact settlements of collective agreements.

Mr. Plohman: One last question, and again an opinion, Mr. Murphy. I note the R.M.s and Mr. Edwards mentioned the fact that they are not registered to appear here, and there are 13 rural municipalities. They may have many different reasons why they are not appearing here, but have you suggested to them that they might want to come forward and tell of their experiences here?

Mr. Murphy: No, I have not communicated on their presenting a brief to this committee.

Mr. Plohman: Nor have they communicated to you that they might be interested in it? Have they ever communicated to you that once FOS is gone, we will not have to go through this kind of mess, or any comments like that? Have you had positive comments from them? I realize this is second-hand evidence, but they are not here to appear.

Mr. Murphy: In the case of the more recent collective agreements that were reached where FOS applications that were made December 1, 1989, in the cases that we have reached an agreement, there has been no discussion whether they would appear. The settlements were reasonable, and both parties accepted them. When a settlement is reached that both parties agree to, I think both parties are satisfied.

Mr. Plohman: Just to conclude this then, would you consider asking them or suggesting to them that they might want to put their views forward at the committee?

Mr. Murphy: Most of my negotiations have been with individual committees which consist of two or three council members and possibly a reeve. Any suggestion would have to go before council. I have not made that suggestion.

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): Mr. Murphy, thank you for your presentation. Can you tell me how long your union has operated in Manitoba?

Mr. Murphy: Before my time. I think 1958.

Mr. Ernst: A considerable length of time then, Mr. Chairman. Can you tell me, being as how FOS has been

in force for some two years, what you did for all of the time before FOS came in and how labour settlements had been reached prior to FOS being implemented?

Mr. Murphy: Well, in a number of negotiations there have been strikes. They have been resolved by strike if it got down to issues that were not acceptable to either party. There have been strikes in the past, and since the implementation of FOS our union personally have not been involved in any strikes.

Mr. Ernst: Mr. Chairman, Mr. Murphy before FOS came in, approximately how many contracts would you bargain for? How many of those resulted in a strike?

Mr. Murphy: I guess the total number of collective agreements—and I do not have the exact number of collective agreements—would be approximately 40. In my experience, and I have been a business rep for five years so that would be three years without FOS, there has been a total of four strikes in the three years previous.

Mr. Ernst: That is fine, Mr. Chairman. Thank you very much.

Mr. Edwards: I just have one more question, Mr. Murphy, that occurred to me. You have been involved in a number of cases in which FOS has been used, stemming right back to January 1988, when it first came in. How many collective agreements have you negotiated that have not used FOS?

Mr. Murphy: About the same number.

Mr. Edwards: So roughly 50 percent of the time FOS has been used in your experience with respect to unions or locals you are involved in since January 1,'88.

Mr. Murphy: Well, my experience is that FOS has been used twice. It has been applied for in a number of cases, but it has been used twice, once for the union and one decision for the employer.

Mr. Edwards: Okay, but we are getting mixed up then in simple terminology. It has been applied for as a means of dealing with disputes in 50 percent of the times since January 1,'88.

Mr. Murphy: It has been applied for because there are deadlines, and the only way you could use FOS if you failed to meet the first deadline is after a strike which we did not want to happen.

Mr. Edwards: I am sorry, I do not mean to belabour this. Let us use the word applied for. It has been applied for in 50 percent of the cases which you have been involved in since January 1, 1988.

Mr. Murphy: Yes, it has been applied for in 50 percent of the cases and the vast majority have resulted in negotiated settlements of those collective agreements.

Mr. Chairman: Thank you, Mr. Murphy, for your presentation this morning. Oh, just a minute. Mr. Patterson.

* (1050)

Mr. Allan Patterson (Radisson): Mr. Chairperson, I understand with the small unit you have and the close relationships within the community there would be the trauma, you might say, on both sides when a strike takes place, but given this and what you put forth was the positive results of this process in the absence of this process the final offer tool is always there, always has been. How many of these, forget the 13, the one that was dismissed, but how many of these 12 would use final offer arbitration?

Mr. Murphy: I am not sure if I understand. You mean on a voluntary basis?

Mr. Patterson: A voluntary basis. Given that you have had what you say is this positive experience on both sides presumably.

Mr. Murphy: It has been a positive experience as a result of FOS. Before FOS it has never been discussed.

Mr. Patterson: Mr. Chairperson, given the experience of these 12, and the assumption that this particular final offer mechanism is not available, how many of the 12 do you think would voluntarily invoke the procedure -(interjection)- in the future, yes?

Mr. Murphy: In the ones that we have had occasion to negotiate to collective agreements, we have reached a collective agreement before any deadline, so there was no discussion about using a selector if negotiations broke down. One of the reasons is that the legislation is available.

Mr. Patterson: Yes, but if it was agreed by the two parties initially that, at some particular time that they mutually set out, if a settlement was not reached it would then go to final offer, why would the two parties not then use the procedure?

Mr. Murphy: Well, my only comment is that before the implementation of the FOS legislation it was never discussed. It never came up as an article to be negotiated into the collective agreement. Since the legislation has been available both parties know it is available, so there is no need to put it into collective agreement.

Mr. Patterson: Mr. Storie mentioned the use in other jurisdictions. What other jurisdictions in Canada have this?

Mr. Murphy: I am not familiar with that.

Mr. Patterson: How many other jurisdictions have this particular procedure? Are you aware that the other jurisdictions are in the United States and primarily in the public sector where, contrary to our greater degree of freedom here in Canada, they do not have the right to strike and there is mandatory arbitration and it is in the public sector, where the process of arbitration is mandatory, that this particular special type of arbitration has been used? The other jurisdictions

referred to largely are not in the private sector. It is in use where the employees are denied the right to have a work stoppage, and the employers also, of course.

Mr. Chairman: Mr. Storie, did you have one final question?

Mr. Storie: Just a final question. The use of final offer selection in the cases that Mr. Murphy had been talking about are actually public sector because it is between the municipalities and the operating engineers, but the fact is that in Manitoba of course, Mr. Murphy, other groups have access to arbitration and I am not sure whether Mr. Patterson or the Liberal Party are suggesting that other working people in Manitoba should not have access to other than strike. That sounds like what his argument is, that they should only have the right to strike and no other tool even if it proves to be beneficial in preventing strikes. I guess the question is, the Manitoba Federation of Labour and other unions in the Province of Manitoba believe that this is a better option, that having this in the negotiating kit serves a valuable purpose. In your opinion, is there any reason why this kind of a tool should not be available in Manitoba even though it may not be offered to all unionized employees in other jurisdictions? Is that a reason to exclude it?

Mr. Murphy: It is my understanding that both the Manitoba Federation of Labour and the Canadian Federation of Labour favour the retention of FOS as an alternative to strikes and lockouts.

Mr. Chairman: Mr. Patterson, do you have one final question?

Mr. Patterson: Just as a matter of curiosity, Mr. Murphy, I note that two of the applications were settled by the selector in fact mediating a satisfactory agreement. Was it the same selector in both cases?

Mr. Murphy: It was the same selector in both cases.

An Honourable Member: Was it Jack Chapman?

Mr. Murphy: It was Jack Chapman.

Mr. Chairman: Thank you very much, Mr. Murphy, for your—Mr. Patterson, was there anything else? Thank you, Mr. Murphy, for your presentation this morning.

Mr. Murphy: Thank you.

Mr. Chairman: Our next presenter is Ms. Buffie Burrell. Is she here? Mr. Ken Crawford, Ms. Linda Fletcher—Ms. Linda Fletcher has advised the Clerk that she will be here next week. Mr. Irvine Ferris, he will also be here next week. Mr. Lou Harries—okay.

Do you have a written presentation, Mr. Harries?

Mr. Lou Harries (Private Citizen): No, I do not.

Mr. Chairman: Please proceed.

Mr. Harries: I am a dispatcher at Unicity Taxi. We of course used final offer selection. Mr. Edwards referred

to that, I think, earlier. We were faced by an employer who brought 43 concessions to the bargaining table. Of course we could never have agreed to what they were offering. Our alternative was to strike for 60 days and then to apply for final offer selection.

If there was no final offer selection, there could never have been a settlement of this strike. The company, I am sure, was attempting to do away with our union and, without final offer selection, would have succeeded. I think we would have been on strike forever.

I feel very strongly that final offer selection should be retained because in a case such as Unicity Taxi there could not be a settlement without it. Mr. Edwards said the selector thought that neither side's presentation was fair. I think it is clear to me that the union's side was very reasonable; the company was not.

The negotiations that led to this strike lasted for over a year, which meant that during that year there was no wage increase or any increase in benefits of any kind, which of course could not be considered by the selector when he made his selection.

Without final offer selection there could never have been a settlement of the Unicity strike.

Mr. Chairman: Is that your presentation, Mr. Harries?

Mr. Harries: I think so, yes.

Mr. Chairman: Thank you. Mr. Edwards you had—

Mr. Edwards: Mr. Storie can go ahead.

Mr. Storie: Mr. Harries, how many members were there in your bargaining unit?

Mr. Harries: Approximately 24.

Mr. Chairman: Mr. Harries, I wonder if you could wait till I address you before you answer the questions so that the mikes can be turned on.

Mr. Harries: Sure.

* (1100)

Mr. Storie: Mr. Chairman, so there were probably 24 people affected. You indicated to the committee that you had negotiated or attempted to negotiate for approximately a year prior to having to make a decision to go on strike. I am wondering if you can indicate what the tenor of those negotiating meetings was before or during that one-year period.

Mr. Harries: The company would come to the bargaining table and refuse to make any movements of any kind at any time.

Mr. Storie: Mr. Chairperson, we assume that Unicity had its reasons for presenting the case as it did. To your knowledge, has the operations of Unicity changed in any dramatic way since the selector made his decision?

Mr. Harries: No, not that I am aware of.

Mr. Storie: So, in other words, the attempt to force concessions on working people, the attempt to create an atmosphere where a strike was the only alternative, a long protracted strike, really would have accomplished nothing in terms of the operations of the company, other than a bitter strike.

Mr. Harries: I think it is interesting that, during the course of the strike, the people who worked for the company worked under the terms of our expired collective agreement.

Mr. Storie: And you are firmly of the belief that if final offer selection had not been in place we would have had 24 people walking the picket line for day after day, week after week, and perhaps month after month?

Mr. Harries: Absolutely.

Mr. Storie: What in your opinion would that have served anyone in the Province of Manitoba?

Mr. Harries: Well, as I say, the people who worked while we were on strike worked under the terms of our expired agreement, so I think the reality is that we could have continued to work while we were waiting for the selector's agreement, if that had been available to us. There would have been no interruption in services, there would have been no problems that naturally flow from people being on strike, and management and the union naturally become antagonistic towards each other and they stop hearing what each other is saying, and perhaps in that mood they could never find an agreement.

Mr. Storie: Well, the unfortunate fact of it is, Mr. Chairperson, that this happens, and it happens too often. Final offer selection I think was introduced as a tool to prevent that. I am wondering what has happened since the selector made his decision, whether you can indicate what has happened in terms of the next set of negotiations, a general indication of the relationship currently. Has it improved, deteriorated? How would you describe it.

Mr. Harries: Well, the company is run by a board of directors that is elected yearly. The group that was so antagonistic toward the union is no longer the board of directors. The new board of directors seem to be much more reasonable. Our agreement has expired and we have had several meetings with them, and we have again applied for final offer selection because you must apply within the window, but at the same time we are very close to a negotiated agreement.

Mr. Storie: So final offer selection has allowed us in the Province of Manitoba to move from a situation where there was in all likelihood going to be a protracted, disruptive, bitter strike by at least 24 members of the union, a disruption of service to a point where an agreement was reached by a selector, a selector made a decision, where negotiations are now proceeding on a more reasonable basis, with the

likelihood of a negotiated agreement, and in your opinion final offer selection had something to do with that.

Mr. Harries: Yes, absolutely. Without final offer selection, of course there would have been no union members to enter into this round of negotiations in my view.

Mr. Storie: Mr. Chairperson, perhaps that is the objective of the Members of the Government, the Members of the Liberals. Perhaps they are not too concerned about union-busting activity. I guess my question is that the Member for St. James (Mr. Edwards) and the Liberals seem to want to characterize any gains made by working people as too onerous or as unreasonable. Perhaps you can tell us what gains, if any, you made through the selector's decision, if you would care to share that with the committee.

Mr. Harries: The settlement was, I believe, a \$150 signing bonus for each of the employees for one year, plus cost of living and the Manitoba Food and Commercial Workers dental plan, basically.

Mr. Storie: So in the opinion of the Liberal Party, in the opinion of those who oppose this legislation, \$150 per year, less than 50 cents per day, the right to a dental plan and cost of living is unreasonable. This is the definition and obviously your employer believed that at the time. Do you think that most Manitobans would find that an unreasonable selector's decision?

Mr. Harries: I do not think so, no. I thought it was fairly reasonable.

Mr. Storie: Mr. Harries, you will not be surprised to know that what we have heard from working people as they came before the committee are stories similar to yours, although perhaps not quite as dramatic, but they have left I think the unalterable opinion that final offer selection is working and perhaps you can share with the committee your view on why the Liberals and the Conservatives, the Government are attempting to repeal final offer selection. What is in it for them?

Mr. Harries: I have no idea why they want to repeal it. I think it is very good legislation, good for all of the people of Manitoba actually. Strikes or lockouts are eliminated and I think that is a worthwhile objective.

Mr. Storie: Mr. Harries, would you care to share with the committee your opinion on why final offer selection is such an onerous burden, when it appears from all the evidence we have seen to be a reasonable alternative; why, if it is so unreasonable in the view of some, there are no, and I state, no individual corporations here to present a case against final offer selection; why are they not here telling us, explaining to us, explaining to the committee, to the Government, why this is so urgent that it be repealed?

Mr. Harries: I have no idea why they are not here. I think probably for a lot of people, for Unicity Taxi for instance, there were those who were happy there was final offer selection and that it prevailed.

Mr. Storie: Mr. Chairperson, I have no further questions. I guess I can only say it is our belief that the Chamber of Commerce have a deal with Mr. Filmon and his Government and the Liberal Party and they are not going to use any logic when it comes to the debate on this particular question.

Be that as it may, thank you for your presentation and providing us with some insight into another example of final offer selection as working.

Mr. Edwards: Mr. Chairman, first of all, I just want to enlighten the Member for Flin Flon (Mr. Storie) and perhaps his colleague, the Member for Dauphin (Mr. Plozman). I have tried before and I will try again. They might want to review Hansard. I do not know if they were here, I believe it was Thursday night, when Mr. Grant Mitchell, who is a lawyer, in fact the lawyer for the United Food and Commercial Workers - (interjection)- Well, he certainly has been—spoke on this issue. He has represented many unions in this province. If I am wrong about the United Food and Commercial Workers, he has certainly represented lots of unions in my personal experience. He said, on balance, that this was not a piece of legislation we should keep. Those are his words. I suggest to the Member for Flin Flon he might want to read Hansard on that.

It is also interesting, Mr. Harries, and I want to take you back to that Unicity Taxi situation because you have indicated that you feel the employer's position was unreasonable. In fact, the selector, Mr. Chapman, who has done probably the majority of the selections—he has been the appointed selector—Mr. Chapman indicated in his award, and I am going to quote from a page of that award, I am sure you are familiar with it. He said that he had advised the parties that he did not think that either final offer was, in the words of the legislation, fair and reasonable. He went on to explain his regret at having to make a decision under the legislation at that time. He also indicated that the employer in 1987 had a deficit of close to \$200,000 and in 1988, as at the year ending September 30, had a deficit of \$220,000.00.

* (1110)

So he did accept those; he did not accept the absolute plea of poverty that the employer put forward, but he did accept those facts, that they had lost money two years in a row. He went on to obviously choose the employees', the union's, final offer because it was the less unreasonable, but he did find that both were unreasonable final offers.

I want to ask you, going from that—knowing the relationship you have had with the employer, which I believe has been hostile for some time—whether or not you would agree with Mr. Hales, who is the President of the Telecommunications Employees Association of Manitoba. He has suggested that what we might do is offer the option to the employer to go directly to final offer and get it ratified by the Labour Board rather than have the employees vote on it. Given your particular relationship with that employer, I assume that that would be very unacceptable to you, Mr. Harries.

Mr. Harries: Of course, I think that anyone would like to negotiate their own agreement across the table with the employer and the employees present. However, if that does not succeed, I think it is very useful to have a mechanism for settling the dispute without having to resort to a strike or a lockout.

Mr. Edwards: I understand that. The question was, however, Mr. Harries, whether or not you would agree, from your perspective, that it might be appropriate, in the words of one of your brothers in the union movement, to extend the same right to an employer to final offer selection, which would be to have it ratified without being voted on by the employees. Would you agree with that?

Mr. Harries: I am not sure that I would.

Mr. Edwards: Mr. Harries, one other question, you mentioned and I think your statement was that you saw it as an option to go for a strike, knowing that after 60 days final offer selection could be applied for, and I believe you indicated that you had had a much lengthier strike in the past.

Mr. Harries: No, I did not indicate that.

Mr. Edwards: I am sorry then, if that—

An Honourable Member: You are not in a courtroom, you know, leading the witness.

Mr. Edwards: It is interesting the Member for Dauphin (Mr. Plohman) talks about leading the witness. If anybody checked the record, it has been force fed since Day 1, Mr. Chairman.

Mr. Edwards: Mr. Chairman, I simply want to ask Mr. Harries, if you can explain that, what thinking was done, I know that the collective agreement actually ran out, I believe December 30, '87. You started negotiating and I believe on June 30, a strike commenced. What was the thinking leading up to the commencing of that strike with respect to the potential use of final offer selection after 60 days? Was it seen as a real option, something that could be looked to and in the event that the strike did not bring the parties to some agreement?

Mr. Harries: I think it would be important for you to understand that the company was offering to reduce coffee breaks, reduce lunch periods, reduce the weekly hours of work from 40 to 36. They were offering to reduce the number of statutory holidays. They were offering to reduce vacations with pay. The list is almost endless. They pretty much offered to reduce everything that was in the collective agreement.

Mr. Edwards: I am sure that is obviously why there was not a settlement and I am sure those are some of the reasons why their final offer was not selected. My question is, what was the thinking of the union leading up to the decision to strike on June 30? To what effect did the final offer window, 60 days into the strike, have on that decision to strike?

Mr. Harries: I think it was clear to the employer at all times that they could have settled the strike for cost

of living and a dental plan. I am sure that the employer was aware of that. They chose, however, never even to consider taking one of their items off the table during all of those negotiations.

Mr. Edwards: Mr. Chairman, I am sorry, maybe I am not making myself clear. With respect to the details of what led up to the strike and ultimately final offer selection, those details are in some measure recounted by Mr. Chapman. My question is, leading up to the decision to strike on June 30, 1988, what effect did the existence of that option of final offer selection, after 60 days into the strike, have on your decision to strike? Was it something that you said you took into account and you looked at and said, if we go on strike, after 60 days if we do not like it we can go for final offer selection? You had said earlier in your statement that you saw it as an option to strike because there was final offer selection after 60 days. I just want that clarified, and if you can tell us what your thinking was leading up to that decision to strike. I do not know, do you understand my question?

Mr. Harries: Absolutely. Our thinking was that after our last meeting, the mediator broke off and no progress had been made, we had no other alternative than to strike, because obviously we could not accept what they were offering us. Then we could apply for final offer selection, which we chose to do, reluctantly I think. We would have much preferred to negotiate an agreement with the employer. However, it was impossible.

Mr. Plohman: Just to clarify, to follow up on that, Mr. Harries, the reason that you did not go the FOS route initially was because you missed the deadline and so you are into a strike situation? Was that it?

Mr. Harries: Correct.

Mr. Plohman: So unlike what Mr. Edwards is attempting to put on the record, that somehow you thought you could have it both ways, have a strike and then have FOS bail you out after that, that was not the thinking at all, was it?

Mr. Harries: No, it never would have been our choice to strike. It was all that was left to us.

Mr. Plohman: So in fact that allegation is completely wrong and, in fact you would agree that should be rejected as the kind of thinking that was permeating the thinking of the union at that particular time?

Mr. Harries: Absolutely. It was our intention to bargain a new contract. It was our seventh agreement or something. We had had one very short strike in the contract before that, but it was for two weeks, and it was not anywhere near as substantial a disagreement as this one was.

Mr. Plohman: Just to reiterate on the record here, the previous year during that period of strike and waiting for a settlement, you were working on the previous agreement. Did you get any retroactive raise for that year that you went without an increase?

Mr. Harries: We did not.

Mr. Plohman: So you went a whole year without any improvement in benefits whatsoever?

Mr. Harries: For approximately 13 months, I think.

Mr. Plohman: That is over a year. Thank you, Mr. Harries.

Now Mr. Edwards and the Conservatives think it is unreasonable, I would assume, and onerous that you went with no increase for over a year, and then when Mr. Chapman did make the decision, he said that he selected the better of two unreasonable final positions. I take it that Mr. Edwards agrees with that, and the Liberals, that \$150 per year bonus, that a dental plan which amounts to about 0.75 of a percent for wages, and the cost-of-living increase was unreasonable after going one year without any increase whatsoever.

Did Mr. Chapman tell you what he thought was unreasonable about your final position?

Mr. Harries: I think Mr. Chapman indicated that he could not consider the fact that there had been no agreement in place for that 13 months. All he could consider was he was imposing a one-year agreement. The fact that we had not had any increase for 13 months was not a part of his deliberations.

Mr. Plohman: Mr. Chairman, that would seem that would argue on the opposite side. He would have thought under the circumstances that your final proposal of \$150 per year and the cost of living and a dental plan was not at all unreasonable. Did he tell you at any time, were you informed either informally or formally what he felt as a selector was unreasonable about your final position? Was it this dental plan that was so onerous for the employer, or what was it? Do you know?

* (1120)

Mr. Harries: I think possibly Mr. Edwards mentioned the fact that Unicity Taxi has been running a deficit, but what he did not mention is that they are self-funding. Of course they can have a deficit or a surplus, it is their choice.

Each taxi is owned by an individual who pays a set amount for the dispatched service. They can raise or lower it; they control that. If they have a deficit it is because they have not raised that. I am not sure that Mr. Chapman can consider that, how they came to their deficit. If they deliberately underfunded then I do not know that that is a part of—I am sure that the reason that he chose the union's position possibly was because he recognized that they had deliberately underfunded.

Mr. Plohman: Mr. Chairman, he chose it because it was the least, in his words, unreasonable of the two and I would suggest was quite reasonable.

I just want to ask you one other point for confirmation. Is it not the fact Unicity could apply to the Manitoba

taxi board for any increases in cost of operation as a result of a collective agreement such as this for an increase in rates?

Mr. Harries: Yes, of course.

Mr. Plohman: Thank you.

Mr. Chairman: Mr. Edwards, you had a final question.

Mr. Edwards: I just wanted to clear up page 16, for my friend the Member for Dauphin (Mr. Plohman), the statement by Mr. Chapman in your award was that, he says, similarly I could understand the union's final offer better if it requested simply the wage increase and had not requested the signing bonus and/or the dental plan. To that extent I believe the union's request is unreasonable. That was his statement, so it was those two issues, and I am sure you will remember that from the negotiations, Mr. Harries.

The other point, I see you have talked about, you do not dispute that the employer in 1987 had lost \$220,000 but simply seek to cast that as something which they had control over, and my friend has suggested they could apply to the taxicab board, but Unicity Taxi does not run the taxi board. You are not suggesting that they could have gone and demanded anything from the taxi board. That is not what you are suggesting, Mr. Harries, is it?

Mr. Harries: No, I am merely suggesting that they can apply on a yearly, or more often basis, and they often do not, so I assume they do not desire.

Mr. Edwards: Given that Mr. Chapman has been involved in the vast majority of these cases as an extremely experienced man in this area, you are not suggesting that Mr. Chapman was in any way wrong in this decision, are you? In particular, since he chose your offer, the union's offer, you are not suggesting that we should take as fiction anything written in this decision, are you, Mr. Harries?

Mr. Harries: No, I am not suggesting you should take it as fiction. I think you should know that since Unicity funds itself it can present any financial picture it chooses to. I think also you should know that cost of living and a dental plan and a \$150 signing bonus are not unreasonable.

Mr. Edwards: Well, that is my question. Mr. Chapman obviously felt they were. You have taken the position that the employer was being unreasonable. He ultimately chose your offer, the union's offer. Are you saying that when he says that statement, that your offer was unreasonable, you are clearly saying everything you did was reasonable, everything the employer did was unreasonable? Is that what you are saying?

Mr. Harries: Are you saying—

Mr. Edwards: Mr. Harries, let me make it clear—

Mr. Harries: If the question was—was our employer unreasonable?—then my answer is yes, he certainly was.

Mr. Edwards: And everything the union put forward was reasonable, contrary to what Mr. Chapman found?

Mr. Harries: I assume the least unreasonable then becomes the most reasonable.

Mr. Storie: Mr. Chairperson, I am having a little difficulty following the logic the Member for St. James (Mr. Edwards) is using. I think Mr. Chapman obviously had an opportunity, had an obligation to choose the most reasonable. The fact is that the union—and perhaps Mr. Harries can confirm this, I am sure this was discussed with the membership—the offer that was put on the table stood a chance of being not selected.

In fact, if Unicity would have tabled a more reasonable proposal, even this modest proposal could have been not selected. Your members could have lost. Is that not a possibility?

Mr. Harries: Of course, naturally when someone has to make choice as third party they could make either choice.

Mr. Storie: So what your membership did was to put down your bottom line. You said, this is the minimum; this is our last position. This is the minimum we can accept, and it was accepted.

I guess the question from Mr. Edwards is, in your opinion, did Unicity not realize that by tabling an offer, that was completely unreasonable, they could lose?

Mr. Harries: I am not sure I can speak for the people who were managing Unicity Taxi at that time. However, of course what they tabled was completely unreasonable.

Mr. Storie: Mr. Chairperson, finally, Mr. Edwards is maintaining that Mr. Chapman was right, that this was unreasonable. I am sure you could bring forward at least 24 people and, I believe, thousands of people more who would believe that your final proposal was very reasonable. Mr. Edwards may want to side with Mr. Chapman, that the cost-of-living increase after no increase for a year is unreasonable. I do not think most Manitobans would.

Mr. Chairman: Are there any other questions for Mr. Harries? If not, I want to thank you very much for your presentation this morning, Mr. Harries.

Mr. Harries: Thank you.

Mr. Chairman: I have been informed we only have one presenter in the audience at this time, Mr. Ron Cote, from page 4 of the presenters' list. Does the committee wish to hear Mr. Cote at this time and see if there are any other presenters when this presenter is finished? Agreed.

Please proceed.

Mr. Ron Cote (Private Citizen): Good morning—

Mr. Chairman: Mr. Cote—is that how you pronounce it?

Mr. Cote: Yes.

Mr. Chairman: Please proceed.

Mr. Cote: I speak today as a private citizen and a union member. I do not have a formal presentation, no copies, just some notes I have taken. I am against the repeal of final offer selection. I work in the health care industry, namely St. Boniface Hospital. Although we have never been on strike, we have gone down to the wire many times, have come close to such action. With final offer selection I have an alternative, a means where the well-being of patients at the hospital would still be taken care of while an independent selector would settle the last few remaining items, and choose either the union position or the management position.

Final offer selection offers me a substitute for the collective bargaining climate that is induced by a strike threat, in that each party stands to lose significantly if they act unreasonably and each is therefore propelled to negotiate in good faith towards a two-party settlement. It would, in my opinion, spur both sides to reach their own agreement, deter both sides from insisting on proposals which are clearly unreasonable, and provide a way to resolve disputes in an orderly and peaceful fashion, and lead to better labour relations.

* (1130)

I have had the sad experience of walking the picket lines with some of my brothers and sisters in the labour movement. I have walked on the SuperValu-Westfair strike, and also the Unicity Taxi picket line. In the Westfair strike a lot of unpleasant situations arose on the line. Some of them were violent. Had final offer selection been in place, then all of those could have been prevented. The strike lasted 125 days, which caused many hardships for the picketers. In addition the strike was very costly, and I think that was very costly for both parties. With final offer selection this strike would have been over in 60 days if it had taken place at all.

In the Unicity strike, as Mr. Harries pointed out, fortunately final offer selection was in place and the union members were back after 60 days of strike, a strike which would very likely have gone much longer, causing more hardships for everyone involved. I firmly believe that final offer selection is working; I firmly believe that removing it would be a step backwards, for both the unions and companies. I am strongly opposed to the repeal of the final offer selection. That is all I have to say.

Mr. Chairman: Thank you, Mr. Cote. Are there any questions for Mr. Cote? Mr. Storie.

Mr. Storie: Mr. Cote, thank you again for taking the time out of your day to present your views on final offer selection. You mentioned the strike at SuperValu. I am wondering whether you believe that there is any of your membership or anyone that you know who believes that walking the picket line for two months—and during that two months, the lost wages and lost income, is there anybody who believes that can be recouped?

Mr. Cote: No.

Mr. Storie: So in your opinion the idea that somehow final offer selection might actually prolong strikes, or create a situation where there are more prolonged strikes, is not a reasonable opinion.

Mr. Cote: Could you repeat, in a way I can understand it.

Mr. Storie: Mr. Chairperson, yes, I will rephrase that. There is some opinion amongst the Liberals and the Conservatives that final offer selection tends to prolong strikes, because of the 60-day provisions, that in fact there may be people who are prepared to walk out for 60 days, basically to improve their chances to create an atmosphere where the employer will accept the contract that is unacceptable, or that the union's position would be improved. Do you believe that there are people who believe that they can ever recoup the lost wages from a 60-day strike?

Mr. Cote: I do not believe so.

Mr. Storie: In your opinion, then, it is very unlikely, not logical that a bargaining unit would prepare its membership for a 60-day strike just to achieve an agreement using final offer selection.

Mr. Cote: I do not believe any member really wants to go out on strike to gain anything. They do not gain anything by striking.

Mr. Storie: It is interesting, because the last point that you make is the point that apparently we are all in agreement on in this committee, that no one gains anything by strikes, and yet the Government and the Liberals want to pull this legislation. To me, that does not make sense; I do not know whether it makes sense to you or not.

Mr. Cote: No, it does not make sense at all.

Mr. Chairman: Any other further questions?

Mr. Edwards: Mr. Cote, does the union that you are a member of have an essential services agreement with St. Boniface Hospital?

Mr. Cote: Yes, we do.

Mr. Chairman: Any further questions?

Mr. Storie: Mr. Chairperson, I have no further questions. I thank Mr. Cote for appearing and presenting his views.

Mr. Chairman: Thank you for your presentation this morning, Mr. Cote.

Mr. Cote: You are very welcome.

Mr. Chairman: Are there any other presenters here this morning? Seeing as there are no other presenters here this morning, I suggest that the committee rise, and I have been advised by the Committee Clerk that

she will attempt to call as many presenters over the lunch break as possible and we will reconvene—at two o'clock?

Some Honourable Members: One o'clock.

Mr. Storie: Before we rush into this, we recognize what is happening is exactly what we said would be happening, that it is difficult for many people to attend on Saturdays. They have shopping to do, they are working. The First Minister (Mr. Filmon) now wants to say, well, let us rush and call the committee back at one o'clock. The committee normally sits at two o'clock; it was announced for two o'clock. We have very few presenters here.

Let us ask the Clerk to call people and arrange it for two o'clock, to give them time to be here, because the First Minister can say, and the committee can vote to have us come back at one o'clock, and we will be sitting with no one here at one o'clock, because (a) they were not expecting to be here till two o'clock and (b) even if the Clerk starts phoning now, they will not be able to be here by one o'clock. So let us adjourn and give it a reasonable length of time, come back at two o'clock as normal, quit trying to ram this through. We have an agreement that we are going to listen to the people who want to present. I believe that is a commitment from the Minister, a commitment from the Government, I believe, the Government House Leader. Let us give it some time. Let us not rush.

Hon. Gary Filmon (Premier): Mr. Chairman, this committee is being as reasonable and as open as any committee has ever been. There have been opportunities for people to appear evenings, daytime, weekends, any time that could possibly be made convenient to an individual to want. When the committee sits on Saturday, the Member for Flin Flon (Mr. Storie) says it is inconvenient because people have to go shopping. When the committee sits in the daytime, the Member says, well, it is inconvenient because some people have to work. When the committee sits in evenings, he says it is inconvenient because some people do not like to stay out late at night. He has an excuse for everything. This committee is sitting, and he is becoming ridiculous. In fact, he is becoming an anachronism because he is so foolish.

The committee will decide on reasonable times and reasonable circumstances, and I think the committee should also take note of the fact that if this is so important for people to appear and they do not appear when they are given daytime, evening and Saturday options, it is obviously not something that is all that important because they are simply not coming. We will have to take note of that next week, I am sure, Mr. Chairman, as we try and decide how we can get through this number of presentations. We will decide that in due course.

For now, I think the option the committee has to decide is on time. It is my recommendation that we come back at one o'clock, because there are close to a 100 presenters who want to present. Ultimately, we have to get through them in some reasonable order.

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I believe we should come back at one o'clock and see how quickly we can get through them.

Mr. Chairman: Thank you, Mr. Premier. I just want—-(interjection)- just a minute, Mr. Storie—to mention that we have attempted to call everyone on the list. Everybody has been called at least once. We will attempt again, during the lunch break, to call as many as possible, to see how many we can get here. Mr. Storie.

Mr. Storie: Mr. Chairperson, just so the First Minister is not confused, as he apparently is, the commitment has been made that anyone who is on the list is eligible to come before the committee and a time will be made when it is convenient. That was the understanding.

There are going to be evening hearings next week, which is what we believe should happen. The committee hearings should be in the evening. We are prepared to sit late into the evening every day.- (interjection)- Mr. Chairperson, I have the floor. Could I please be allowed to continue?

The First Minister is going to refer to the fact that leave was not granted for a Monday evening hearing. The House sits on Monday, first of all, from 8 p.m. to 10 p.m. Members are to be in the Chamber. Our House Leader was prepared to give leave. However, the Speaker refused at that point to give the Member the floor.

Let us not confuse the two issues. We are prepared to meet next week, Monday, Tuesday, Wednesday, Thursday, Friday—perhaps not Friday, but if Friday is necessary, we meet Friday. But let us make the point that we are not going to gain anything, that the First Minister (Mr. Filmon) is not going to gain anything by having this committee change its agenda and come in to sit at one o'clock. People are expecting to be here at 2 p.m., if they can make it today at all. The people who do not come are going to come and use up time of the committee on Monday or Tuesday or some time next week, because they have been guaranteed the right to make their presentation.

* (1140)

We are not going to save any time. All we are going to do is come back at one o'clock, throw everybody who had set their schedule to be here at two o'clock off schedule. We are not going to accomplish anything, because there will be very few people here at one

o'clock because of the timing. We can certainly vote on it if the First Minister (Mr. Filmon) wants to make this foolish amendment. It is not going to resolve anything. It is not going to speed up the work of the committee. That is naive and wrong.

Mr. Filmon: Mr. Chairman, what I will say is that the New Democrats are attempting to frustrate and to obfuscate and to -(interjection)- The New Democrats are doing everything they can to frustrate the process of working with this Bill.

The fact of the matter is that people appearing before committees are told that the committee is sitting between ten and five o'clock today, that whatever time the committee wants to sit to listen to people, the committee is doing so in order to accommodate them.

What Mr. Storie is saying to us is that he wants to make it as difficult on the committee as possible to do its work. I think that of course is starting to be an unreasonable point of view. On the other hand, I am not going to continue to try and argue with Mr. Storie over a point in which he says, quite honestly, that the committee should forget all practice, should forget all rules and should simply bend itself around and twist itself like a pretzel because he is trying to orchestrate a situation he thinks is in his best interest.

Ultimately, the people of Manitoba will see what the New Democrats are doing. They will see what they are doing at a cost of \$6,500 a day.

They have now extended the length of this Session to over \$250,000 of cost to the taxpayers of Manitoba, to have pushed the Session beyond its normal average length of days of sitting, and to do all of these things. But the people of Manitoba have passed judgment in the past on the New Democrats, and they will pass further judgment as they become irrelevant because of the kinds of orchestration and games playing they are attempting to do.

But that is okay, Mr. Chairman. I will withdraw my suggestion that we come back at one o'clock. We will come back at two o'clock, and we will see whether or not there are people here who really want to be heard on this Bill, or whether in fact—

Mr. Chairman: We have agreed, I think. Committee rise. We will return at two o'clock.

COMMITTEE ROSE AT: 11:43 a.m.