

As a second-year nursing student at the University of Manitoba, I have a personal interest in the provincial government's attempt to impose wage freezes on the unionized public sector workers in our province. With nearly 12,000 full- and part-time nurses working in the public healthcare system, they make up approximately 10 percent of the nearly 120,000 public sector employees in Manitoba (Annable & Kavanagh, 2017). If you consider the other 11,000 non-nursing front line workers in healthcare, the portion of Manitoba's public sector employees that work in healthcare swells to 19 percent or 23,000 people (Annable & Kavanagh, 2017).

A skilled workforce that has benefited from the collective bargaining process in past negotiations, Manitoba healthcare workers and, in particular, nurses, are generally regarded as well-paid. The average salary for a nurse working in the Winnipeg Regional Health Authority, one of the largest health regions in the country (WRHA, 2017), is approximately \$40 per hour, or 25% above the national average (Ca.indeed.com, 2017). In the fiscal year ending in 2016, the province of Manitoba budgeted \$5.6 billion for healthcare expenditures (Government of Manitoba, 2015). The large number of public healthcare workers in Manitoba, combined with their above-average salaries, forms a significant portion of the province's spending on healthcare. Health Minister Kelvin Goerzen has noted that a one percent increase in the pay of the nurses and doctors in Manitoba would cost the province an additional \$20 million (Annable & Kavanagh, 2017). When considering these numbers, it is understandable that the current government would target the health sector as an area to save money.

The concerning matter is the method that the provincial government is using to reduce those costs. The wage-control bill – Bill 28, the Public Services Sustainability Act – aims to summarily impose wage controls on the province's public employees for the next four years (Lambert, 2017). By bypassing the collective bargaining process and imposing wage freezes on those workers it eliminates their ability to negotiate any salary gains when they reach the bargaining table.

The collective bargaining process is one of give and take. If unionized workers give up a wage increase during negotiations, ideally, they would like to receive something compensatory in return. This could be in the form of reductions in workload, increased holiday time or some other benefit they find amenable. The unionized workers in Manitoba's public sector have now lost the ability to bargain for that compensation since the provincial government has removed that bargaining chip from the table. In essence, the province's public sector workers have lost twice. Not only have they forfeited the ability to bargain for a wage increase in the next four years, they've also lost the ability to bargain for something else in lieu of those pay increases.

Beyond financial concerns, these wage control measures may have more far-reaching implications. We only have to look back in Manitoba's not-too-distant past for examples of the last time a provincial government tried cutting healthcare spending. In the 1990's, Manitoba's Progressive Conservative premier Gary Filmon instituted an austerity program of budget cuts (Historica Canada, 2010). Some believe this may have helped trigger the infamous "brain drain" which peaked in the 1990s (Allen, 2015). This phenomenon resulted in a net reduction in the skilled professionals in the province. Healthcare professionals in particular were especially apt to leave, with many of them abandoning Manitoba for the higher salaries offered in the U.S. (Frontier Centre for Public Policy, 1997).

There is a very real fear among those currently working in the health sector that continued legislation of wage controls by the province could trigger another exodus of young, skilled professionals out of Manitoba like it did in the 90s. Compounding the problem, those same austerity measures may also act to discourage new students from entering that field of study, drastically reducing the number of future graduates that would eventually be looking for work in that field. Thus, when an exodus of current professionals combines with a reduced number of future professionals coming through the educational system, you have a vacuum of skilled workers similar to what we saw in Manitoba in the early 90s.

The “brain drain” trend in public healthcare took nearly a decade to reverse and required significant government investment in the recruitment of young healthcare professionals from both inside and outside the province (The Canadian Press, 2006).

While the short-term savings of wage freezes and imposed collective agreements on public sector employees in Manitoba may provide temporary financial relief for a provincial government that’s reeling under the burden of a growing deficit. The long-term effects of those cuts may be felt for decades to come.

The loss of this province’s best and brightest minds in the public sector is one that’s difficult to quantify. Recent history shows that recovering from those losses can take decades to accomplish and a financial investment to achieve. As a result, the dollar value of retaining skilled professionals that are already here is high. One hopes that the current provincial government would consider the long-term costs of losing what they already have when dealing with the short-term financial benefits of cutting what they spend.