

The Manitoba government is in the process of imposing legislation to freeze unionized public-sector employee wages, a key part of its often-repeated mission to get the province's financial house in order.

Premier Brian Pallister's Progressive Conservative government introduced Bill 28 -- the Public Service Sustainability Act -- last spring, and the bill was passed in the legislature in June. The controversial legislation -- currently in limbo after a labour coalition launched a legal challenge in July -- introduces a four-year period of wage freezes in the first two years and minimal increases (0.75 and one per cent, respectively) in the last two in contracts negotiated with unions representing some 110,000 Manitobans working for the government.

The premier and members of his cabinet contend that the previous NDP government of Greg Selinger left the province's finances in a precarious state, pointing to an expected deficit of just under \$900 million in this fiscal year, which ends in spring 2018. In a series of increasingly unpopular moves, the government has begun to cut deeply into health-care service delivery and directed Crown corporations and regional health authorities to eliminate 15 per cent of management and reduce the size of workforces, including 900 positions at Manitoba Hydro.

While strong arguments can be made in favour of reining in runaway government spending, the premier's tactics are taking dead aim at the heart of long-entrenched, civilized employer-employee relations in the province.

Imposing wage freezes on a unionized workforce runs counter to both the spirit and the reality of what collective bargaining is understood to mean -- duly appointed or elected representatives from a workplace negotiating with company executives or their representatives,

the goal to end up with an agreement that codifies key issues such as wages and working conditions over a specified time period.

Canada's Charter of Rights and Freedoms enshrines citizens' right to freedom of association, in this case holding membership in a union to ensure rights are respected in their workplaces. Unionization creates one powerful voice made up of many; that voice can argue for a variety of workplace improvements, almost always including financial compensation amounts and regular increases to offset rising living expenses.

Take money out of the equation – an approach that smacks of bullying – and organized labour is left without that one voice. Manitoba Federation of Labour president Kevin Rebeck believes the imposition of wage controls renders negotiations pointless. "The majority of issues that you bargain in a collective agreement have an impact on compensation levels," Rebeck told alternative news website Rabble.ca in July after the coalition filed its constitutional challenge.

The labour coalition's statement of claim points out that Manitoba's Labour Relations Act says collective bargaining can encourage "harmonious relations" between employers and employees. But the unions contend Bill 28 does anything but. It "(sends) a message to employees" that trying to reach shared workplace goals through the union collective bargaining process is "futile." Among the concerns is the weakening of the bargaining process and its effect on members who may question the credibility and purpose of their union.

On its website, The Manitoba Teachers' Society has sounded the alarm for its members: "assuming inflation continues to increase by a rate of two per cent, the net effect of this loss to purchasing power will be compounded year-over-year to the tune of 6.2 per cent at the end of the

legislated wage pause. For an average teacher across this province, this translates to approximately a \$15,464 loss to every single teacher.”

The premier is not blazing any new trails in using the public sector as a weapon in battling expenses. Saskatchewan Premier Brad Wall lit a similar fuse last winter when, confronted with a \$1.2 billion deficit, he told some government workers they’d have to freeze – and in some cases – roll back wages or face likely job losses. And in 2011, enraged public-sector workers launched massive protests in Wisconsin in response to that state government’s Budget Repair Bill, which imposed restrictions on negotiated wage agreements.

By some estimates, public-service wages account for about 30 per cent of all provincial income in Saskatchewan; one economic analyst referenced in the Regina Leader-Post last January said that means 30 per cent of that province’s residents are feeling or fearing the pinch; their reduced spending could further slow an already-challenged economy.

Manitoba’s government appears to have rejected that line of thinking. It doesn’t take an economics degree to arrive at the conclusion that risking the economic health of the province while trying to preserve the economic health of the province is unlikely to be successful. It seems the premier hasn’t as many tools in his budget-cutting arsenal as voters were led to believe on the campaign trail in 2016; he’s chosen to wield a cudgel instead of something less destructive to the lives of one-seventh of the province’s taxpayers.

References

Manitoba's unions take government to court, calling wage-freeze bill unconstitutional. Meagan Gillmore. July 14, 2017. Retrieved from: <http://rabble.ca/news/2017/07/manitobas-unions-take-government-court-calling-wage-freeze-bill-unconstitutional>

Bill 28. The Manitoba Teachers' Society. Retrieved from:
<http://www.mbteach.org/mtscms/2017/09/15/bill-28/>

Sask. Party wage freeze a declaration of war on unions. Murray Mandryk. January 17, 2017. Retrieved from: <http://leaderpost.com/opinion/columnists/sask-party-wage-freeze-a-declaration-of-war-on-unions>