

Presentation

To The Legislative Committee on Bill 28 – The Public Sector Sustainability Act

> Wednesday, May 8, 2017 Room 255, Legislative Building

My name is Norm Gould and I am the President of The Manitoba Teachers' Society, representing over 15,000 public school teachers from across this province.

The Manitoba Teachers' Society is dedicated to safeguarding the welfare of teachers, the status of the teaching profession and the cause of public education in Manitoba.

I am here tonight on behalf of teachers to denounce the imposition of Bill 28: The Public Sector Sustainability Act. Bill 28 is a betrayal of promises and commitments made by this government, and in particular, by a Premier who claims to have respect for collective bargaining as a former teacher and 'union guy'.

The Manitoba Teachers' Society recognizes that there are fiscal challenges facing this province and that there is a provincial deficit that should be addressed. We even agree with the government's eight-year timeline to return to balance, however we disagree with the assertion that the only way to achieve balance is to legislate wage freezes and cut the services that Manitobans count on and value.

Every day, Manitoba's teachers work with our province's greatest resources, our students. Every student is unique; some speak different languages at home, some are adjusting to a new life in Canada and some have special needs that require them to learn differently. Today's classrooms are more complex than ever and teachers are there on the front lines doing their best to make sure every student develops the tools they need to learn and grow.

What is proposed in Bill 28 is disrespectful to teachers and all Manitobans. Time and time again we have been told that "all hands on deck" are required to deal with the fiscal challenge, but in reality only one sector in Manitoba is being forced to pay the price – the public sector.

Five months ago, I was honoured to be invited to join other public sector unions at a meeting with the Minister of Finance and his officials to strike what was called the Fiscal Working Group. We were optimistic that we would be able to work with government to develop options to improve the government's fiscal situation, but it quickly became clear that the government had no intention of listening to or working with Labour as they refused to provide pertinent information, answer our questions or respond to our recommendations. I am disappointed that despite their assurances to the contrary, the government has chosen to ignore alternatives to this repressive legislation and instead move forward with getting back to balance on the backs of public sector workers.

During the lifespan of Bill 28, inflation will rise along with the cost of living, thereby eroding the real purchasing power of teachers. Combine the wage freeze with the cut to education funding and it is clear that over the coming years, our teachers and students will be forced to do more with less.

Based on the current number of Manitobans working as teachers, over the next four-years, teachers will have contributed \$217.5 million in lost income to the Minister of Finance.

By coincidence, or by slight of hand, while Manitoba teachers forego purchasing power totalling \$217.5 million dollars over four-years, the government will have added into its rainy-day account, also known as The Fiscal Stabilization Fund, \$225 million dollars over the same four-year window.

In his analysis of the 2017/2018 budget, renowned economist and former Dean of the Asper School of Business Michael Bennaroch expressed surprise at the government's decision to increase its contributions to the Fiscal Stabilization Fund in order to grow the fund from \$115 million to \$225 million by 2019/2020.

The intent of this fund is to balance the government's borrowing requirements over time by growing the fund during times of surpluses and minimizing its contributions during times of deficits in order to lessen the requirement for external borrowing during difficult fiscal times, as we are told we are currently experiencing.

By borrowing \$110 million today to contribute to its rainy-day fund, the government is contradicting its own objectives to balance the budget because instead of reducing the deficit, they are actually adding to it.

I agree with his recommendation that instead of contributing to the fund, the government should be drawing from the fund by \$15 to \$20 million per year for the next five years. Then, once the province returns to balance, the government can revisit its contributions and begin injecting money into the fund.

In the end, Bill 28 disproportionately places the burden of budget cuts on public servants and consequently affects the quality of the services they provide. We do not doubt that salaries are a significant component of government expenditures, but it is important to highlight that government services and programs benefit all Manitobans.

As is the case with other public sector unions, The Manitoba Teachers' Society remains committed to working with the Manitoba government to address these fiscal challenges in an authentic, meaningful way.

But, sadly, if the last 5 months are any indication, commitments to work with labour on the part of this government are nothing more than lip-service and false platitudes.

I have sat at those meetings with the government officials.

We tried to provide alternative options and strategies for this government to help them return to balance within eight years.

Labour committed to work collaboratively with the government and to work in good faith at the bargaining table to seek solutions with our employers.

Unfortunately, our proposals and openness to work with the government were repeatedly dismissed. So now here we are collectively urging you to defeat this bill so that we can try to find a solution that is based on collaboration and good faith and not on division and confrontation.

Since 1947, Manitoba's teachers have worked with our employers, the school boards, to bargain in good faith to seek solutions and reach compromises at the bargaining table without confrontation. This is the case because our right to strike was supplanted with interest arbitration. The foundation of this model is based on equity and equality at the bargaining table and it is a model that has worked for teachers and school boards.

But most importantly it has worked for our students and their families as unlike other provinces, we have enjoyed labour peace which means our students have not had their educational paths disrupted.

This is an excellent example of how Labour and government can work together to reach a solution that benefits everyone. So, on behalf of Manitoba's 15,000 teachers, I call on you to defeat Bill 28 and trust that all Manitobans want to work together for the betterment of this province.

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President, The Manitoba Teachers' Society