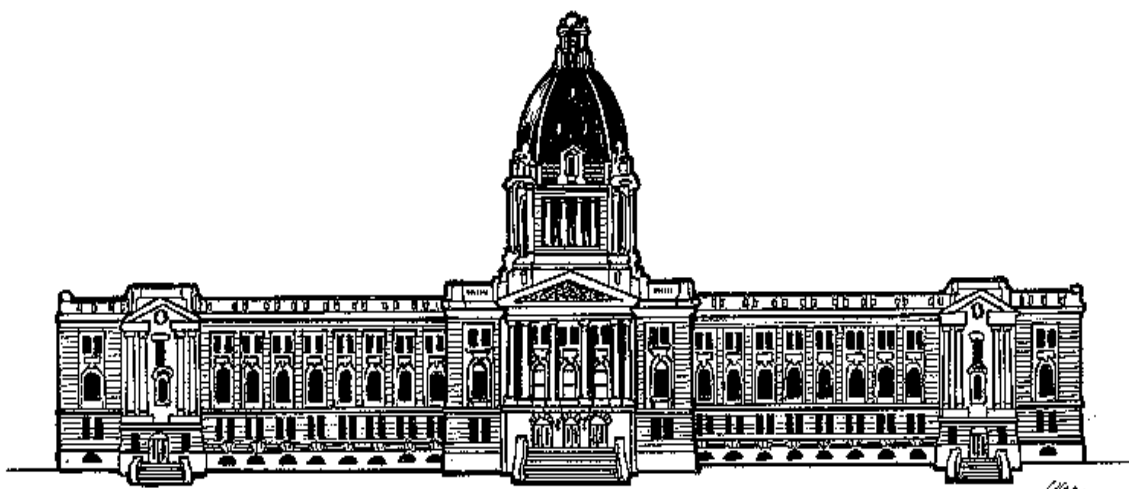




STANDING COMMITTEE ON HUMAN SERVICES

Hansard Verbatim Report

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Legislative Assembly of Saskatchewan

Twenty-sixth Legislature

STANDING COMMITTEE ON HUMAN SERVICES

Mr. Greg Ottenbreit, Chair
Yorkton

Mr. Cam Broten, Deputy Chair
Saskatoon Massey Place

Ms. Doreen Eagles
Estevan

Mr. Glen Hart
Last Mountain-Touchwood

Ms. Judy Junor
Saskatoon Eastview

Mr. Serge LeClerc
Saskatoon Northwest

Ms. Joceline Schriemer
Saskatoon Sutherland

[The committee met at 9:45.]

Ms. Burianyk: — Good morning members and welcome to the meeting of the Standing Committee on Human Services. I would like to advise you that the committee has received a letter of resignation from your Chair, Mr. Glen Hart. Therefore it's my duty as the Committee Clerk to preside over the election of a new Chair. I will now call for the nominations for that position. Ms. Eagles.

Ms. Eagles: — I move:

That Greg Ottenbreit be elected to preside as Chair of the Standing Committee on Human Services.

Ms. Burianyk: — Okay, Ms. Eagles has nominated Mr. Ottenbreit for the position of Chair. Are there any further nominations? Seeing none, I'll proceed to Ms. Eagles's motion. Ms. Eagles has moved:

That Mr. Greg Ottenbreit be elected to preside as Chair of the Standing Committee on Human Services.

All in favour of the motion? Opposed? I declare the motion carried and invite Mr. Ottenbreit to take the Chair.

The Chair: — Thank you committee and attendants today. I am Greg Ottenbreit, the Chair of the Human Services Committee, and I'd like to introduce at this time the members of our committee and the substitutes for today.

The members of the committee on the opposition side are Mr. Cam Broten and Ms. Judy Junor. On the government side of the committee are Mr. Glen Hart, Ms. Doreen Eagles. Substituting for Ms. Joceline Schriemer today is Mr. Lyle Stewart, and the other committee member on the government side is Mr. Serge LeClerc.

The first order of business we'll have today is tabling of some documents. We have two documents from the Ministry of Social Services, document HUS 22/26 and HUS 26/26. We have a letter of resignation of our Deputy Chair, Ms. Junor, document HUS 24/26, and we also have the draft steering committee report HUS 23/26 to be tabled.

At this time, I'd ask for a motion to adopt the Steering Committee Report. The members have already received a copy of this report, and I require members to move the following:

That the first report of the Steering Committee be adopted.

Moved by Ms. Junor. All in favour? That's carried.

At this time, we'll commence with the election of the new Deputy Chair. Since the committee has received a notice, the resignation of Ms. Junor, the Deputy Chair will require the election of a new Deputy Chair. I will now call for nominations for that position. I recognize Ms. Junor.

Ms. Junor: — I move:

That Cam Broten be elected to preside as Deputy Chair of

the Human Services Committee.

The Chair: — Ms. Junor has moved:

That Mr. Cam Broten be elected to preside as Deputy Chair of the Standing Committee on Human Services.

All in favour of that motion?

Some Hon. Members: — Agreed.

The Chair: — It's carried.

Bill No. 80 — *The Construction Industry Labour Relations Amendment Act, 2009*

The Chair: — I just have a few opening remarks before we begin. The Human Services Committee carries out the committee work relative to Social Services; Health; Education; and Advanced Education, Employment and Labour. Today we are here for one of the processes the committee is asked to carry out, one method of public consultation where we, the committee, hear presentations from witnesses, ask questions of those witnesses, and make appropriate recommendations to the minister.

Although this committee format is different than the Legislative Assembly, we still conduct ourselves in a respectful and professional manner. This is not a debate. It's presentations by witnesses and then question and answer by the committee.

We are ahead of the allotted time of 10:00 o'clock, but since we have the presenters in attendance and people waiting, we will just carry on. The presentations will be a total of 30 minutes per presenter or witness. Twenty minutes will be designated for the presentation, and 10 minutes for the question and answer. And I will give a five-minute warning to the presenter at the 15-minute period, and I will try to be discrete with a five-minute warning. Mr. Broten?

Mr. Broten: — Thank you, Mr. Chair. Before we get into things, I would like to make a motion. As you know, there are a number of people out on the steps of the legislature. These are people who are directly affected by the legislation in Bill 80. Having not been consulted up until this point, and now with the public hearing process going on, I think it's only fitting that the public actually be involved in the hearing process.

So with that, Mr. Chair, I would make a motion. So I would move, seconded by the member from Saskatoon Eastview:

That the committee rooms be opened for all of the members of the public who wish to attend, and who will observe the proper decorum of the Legislature.

I so move.

The Chair: — Mr. Broten has made that motion. All in favour. Opposed. The motion is denied. Mr. Broten.

Mr. Broten: — Thank you, Mr. Chair. With the first motion that I made being defeated, perhaps members were concerned

about the size of this room not being able to accommodate all of the people that are on the steps of the legislature. But thankfully here in the legislature we do have another room that certainly could accommodate everyone, a room that has been used in the past and a room that other committees of this legislature often use.

The Human Services committee, which is part of the legislature, is really the committee of the people of Saskatchewan. It's not my committee. It's not your committee. It's not the Premier's committee. It's a committee that belongs to the people of Saskatchewan, just as all the activities in this legislature do belong to them as well.

The people that are standing on the steps of the legislature are the people that are most directly affected by Bill 80. They're the people that want to have a say. They're the people who have not been listened to up unto this point. Ironically, it's many of the people on the steps of the legislature that actually, their trades would have been involved in the construction of this building. Their trades service this building and keep it functioning well. It's only fitting that those people are given access, that a public hearing is in fact open to the public.

So with those comments, Mr. Chair, I would move, seconded by the member from Saskatoon Eastview:

That the Standing Committee on Human Services do now adjourn for the purpose of reconvening in the Legislative Chamber in 10 minutes.

The Chair: — Mr. Broten had moved that we . . . Mr. LeClerc.

Mr. LeClerc: — These points were all agreed to before these meetings were set up for a purpose. We have video streaming on it. We have a balanced number of people coming to the presentation. People can view these publicly for information. There's representation from both sides to make this. These things were agreed to before we sat here today. Submissions should have been made earlier if they wanted a change of agreement. And I think this is a redundant exercise in political rhetoric and grandstanding at this particular point, and I see no rationale for it.

The Chair: — Thank you for your comments, Mr. LeClerc. Mr. Broten has moved that the Standing Committee on Human Services do now adjourn for the purpose of . . . Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. As you know, this Chamber and this committee room — the Chamber and our committee rooms — are part of our democratic process. And one of the fundamental foundations of that democratic process is that people have the right — they have the right — to view and participate by viewing our deliberations. How can we in any way deny people the right to listen to and see the deliberations on a piece of legislation that is very, very important to them?

Now this issue about agreeing to a bunch of points ahead of time is . . . Nobody would know or understand that hundreds of people would want to come and see these hearings until the morning on which they come and show up. We have a responsibility to the public to open these hearings up so that all

members of the public have the opportunity to hear it. Anything other than that is pure arrogance on behalf of a government who won't vote in favour of allowing the public to hear the deliberations on this Bill.

The Chair: — Thank you for your comments, Mr. Yates. Now I'll read the motion put forward by the Deputy Chair:

That the Standing Committee on Human Services be now adjourned for the purpose of reconvening in the Legislative Chamber in 10 minutes.

Those in favour?

Mr. Hart: — Mr. Chair, if I could offer a suggestion. Perhaps the committee may want to take a five-minute recess to discuss this issue before we vote on it.

The Chair: — It has been brought to my attention that the motion brought forward by Mr. Broten is out of order as we cannot adjourn the process; we can only recess. Mr. Hart, you had some comments now?

Mr. Hart: — If the motion stands, I would suggest that the committee take a five-minute recess before we vote on it.

The Chair: — Mr. Hart has suggested we take a five-minute recess. And seeing that we are five minutes to the formally agreed time of 10 o'clock, we'll call for a five-minute recess and then reconvene at 10 o'clock.

[The committee recessed for a period of time.]

[10:00]

The Chair: — Seeing that we're just past 10 o'clock again, we will reconvene. As I previously mentioned, the previous motion by Mr. Broten was out of order. I recognize Mr. Broten.

Mr. Broten: — Thank you, Mr. Chair. Given that the previous motion was not in order, I would like to make a new one, please. I so move:

That the Standing Committee on Human Services do now recess for the purpose of reconvening in the legislative chambers in 30 minutes.

I so move, and seconded by the member from Saskatoon Eastview.

The Chair: — Mr. Broten has moved, seconded by Ms. Junor, that we recess and reconvene in the Legislative Chamber in 30 minutes.

I've been advised by the legislative staff that there are no cameras available in the legislative chambers, only audio, and members to keep that in mind as well as the proceedings are available online, live streaming on the legislative website. So there is opportunity there to watch if they so wish.

So with that I will read the motion by Mr. Broten:

That the Standing Committee on Human Services do now

recess for the purpose of reconvening in the legislative chambers in 30 minutes.

Any discussion? Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. I am aware that the cameras have been removed from the Legislative Assembly. But what we have is 200-plus citizens who are here who want to observe these public hearings. Now the option is we allow those 200-plus people to hear the public hearings or we deny them access on the basis that somebody might — and we don't know — somebody might want to watch it on a webcam that wouldn't be available.

Now, Mr. Speaker, we need to as legislators make decisions in the interest of democracy. We have 200-plus people who want to see these hearings, Mr. Deputy Speaker, and I think all members of this committee, all members of this committee should be willing to allow those people to view the public hearings in the galleries of the Chamber.

The Chair: — Thank you, Mr. Yates. Any further comments? Mr. Stewart.

Mr. Stewart: — This format was agreed to by both sides of the Legislative Assembly previously. There are no other opportunities for people to make submissions. The agenda's filled up. Any citizen of the province can watch this electronically; there's nothing to be gained by going into the Legislative Assembly. This is nothing more than political grandstanding.

The Chair: — Thank you, Mr. Stewart. Mr. Iwanchuk.

Mr. Iwanchuk: — For this side, if I could speak, are prepared to extend and sit longer. This is an important issue for people of Saskatchewan. We — you know, in terms of other occasions, in terms of other hearings — have attempted to accommodate that.

We've heard there's other hearings going on presently, public consultations where there were some 750 to 800 people in Saskatoon the other night. That was accommodated in the interests of democracy. And I did not hear from that public consultation. Anything coming back is that there was some attempt to prevent people from hearing this. And I think we have a great opportunity here to show that we are flexible, that we represent the people, and, as Mr. Yates has stated, that this is about democracy and that we should attempt to be, where we can, as open as possible. And I think that that wouldn't take much flexibility to move into the available space and allow residents of this province to watch these proceedings.

The Chair: — Thank you, Mr. Iwanchuk. Mr. McCall, you had a point?

Mr. McCall: — Thank you, Mr. Chair. It's been said often that this is a place that belongs to the people. In past there've been, when the people show up at the legislature, there've been attempts made to accommodate the people as they come here. I think of the Saskatchewan Roughriders winning the Grey Cup and the celebration that was held then, and an accommodation was made to bring the people into the legislature to join in the celebrations.

Surely in a democratic exercise such as this — the Chamber's upstairs; it belongs to the people — why the government would want to shut the people out of these hearings, I don't know.

The Chair: — Thank you, Mr. McCall. We have two more speakers on this side. Mr. Broten.

Mr. Broten: — The people who have come to the legislature today, these are people who have considered Bill 80 to be so important to their livelihood and to their profession, to their craft, that they have taken the time to travel — some a great distance — to be here at the legislature today to hear first-hand, first-hand from the presenters and from government and from opposition to discuss Bill 80.

It's an issue that strikes right to the core of their livelihoods and their trades. And I think here in the legislature, when the public comes, we should be happy. We should be pleased that people are participating in their democracy. They want to see first-hand.

We welcome school groups here; we give them juice boxes. But we force tradespeople, adults who come to the Legislature, to stay out in the sun. I don't understand why we would not allow, when we have a room that works, a room that has plenty of space, a room that has audio recording, why we would not accommodate these people out on the steps of the Legislature. Thank you.

The Chair: — Ms. Junor.

Ms. Junor: — I've been on the steering committee that established the agenda and took the submissions. There was no discussion about anticipating the amount of people who may come. So to say we've agreed upon this venue, this is the venue for Human Services, but it wasn't specifically said that if there's an overflow, we're not going to have them. So the committee can't be pointed to as having said that we've agreed to this and only these numbers. That is not the case.

I don't know what the objection is, from a committee point of view, to open it up into the other venue which has always been used during the session and other times for the other committees. Obviously the Assembly is flexible enough to move us there. So the public would see that there are four members of the opposition who would stop this, which would seem to be a mockery of democracy.

The Chair: — Any other speakers? Ms. Eagles.

Ms. Eagles: — Thank you, Mr. Chair. It was my understanding that there was an agreement stating that the attendance was limited to the seating in this room. This committee has always met in this room; we've never met in the Chamber. And it was my understanding that that's what the agreement was.

Mr. LeClerc: — The agreement was made. The details were made that no more than 25 people in the chambers. Part of it was obviously due to it being an emotional issue. Security is here. Part of it is to make sure that the people who are making presentations are not intimidated, do not have to go through an intimidation factor. I for one don't particularly want to be intimidated.

The agreements were made. Security was set up. The number was set up. That's how it was agreed to by both sides, including that. And we have sat in this room. It is being publicized. It is on air. It is media, and it will be reported. And there is a representation of the people on both sides for this issue.

This is an emotional issue, and I don't think that we should be taking an opportunity for people to be intimidated or other people to get emotional in public about it.

Obviously it's a labour movement. Obviously the majority of the people in the stands are from the labour side of it. And you have representation, and we're a fair government. This has been open for public discussions and . . .

The Chair: — Point of order raised by Mr. Iwanchuk.

Mr. Iwanchuk: — I'm not sure . . .

Mr. LeClerc: — Are you trying to say that I'm not fair? Is that what you're trying to say?

The Chair: — Mr. LeClerc.

Mr. LeClerc: — Well then that's exactly the reason why we don't want a group organizing into that emotional stuff because you've already taken the premise that I'm unfair.

The Chair: — Mr. LeClerc, please direct all comments through the Chair. Mr. Iwanchuk, you had a point of order.

Mr. Iwanchuk: — Mr. Chair, Mr. Chair, I find it difficult to sit here and hear a member of this legislature put or suggest that people are coming here to intimidate. I find that offensive. I find that offensive, Mr. Chair.

The Chair: — Okay. Thank you for your point. We'll allow one more speaker, and then we'll have to move on to the vote. Our time is going on here. Ms. Morin.

Ms. Morin: — Mr. Chair, I'm finding it very disconcerting that we currently have a Uranium Development Partnership consultation that's travelling around the province that was good enough to see that there needed to be some accommodations made in those meetings according to the will of the people. And they've been very, very good about making those accommodations and changing the format of those meetings to accommodate the will of the people.

Today we see a strong will of the people. These are people that are directly affected by Bill 80. The will of these people is to travel from all over the province to come here and view these proceedings today. Surely to goodness, surely to goodness the government would not want to impede the will of the people to be able to participate in their legislature, in their proceedings in the legislature. I can't imagine that that would be the will of the government.

The opposition has already said that if we need to accommodate greater amount of hours to be able to accommodate more submissions to be made, the opposition would be more than willing to do so. The opposition would be more than willing to be flexible in any way, shape or form that we need to, to ensure

that true democracy is being held in these proceedings. So hopefully the will of the people will be something that the Government of Saskatchewan will also understand.

The Chair: — Thank you, Ms. Morin. We've had ample discussion on both sides of this issue. I'll call for the vote:

That the Standing Committee on Human Services now recess for the purpose of reconvening in the Legislative Chamber in 30 minutes.

All in favour? All opposed? Motion is denied. Mr. Broten.

Mr. Broten: — Given that the first and the second motions have been defeated, I would like to make another motion that I think is another workable option, a very workable option for this committee to ensure that democracy is well-served and ensure that public consultations are in fact public.

There's a precedent within this legislature that from time to time hearings can be held outside of this building in order to accommodate people in an orderly and in a controlled and respectful manner. My colleague from Walsh Acres commented this morning we've seen that with the UDP [Uranium Development Partnership]. We've seen a tour around the province hosting large numbers of people who want to speak.

This issue, we have people who care about this issue because it cuts straight to their profession. We have people who have not yet been consulted and want to have their say. So I would make this motion. So I would like to move, seconded by the member from Saskatoon Eastview:

That the Standing Committee on Human Services do now recess for the purpose of reconvening in a suitable location, subject to availability, and that the Clerk of committees be instructed to find such a location and that the time of reconvening be at the call of the Chair, but shall be no later than tomorrow morning.

I so move.

The Chair: — Mr. Broten, seconded by Ms. Junor, has moved:

That the Standing Committee on Human Services do now recess for the purpose of reconvening in a suitable location, subject to availability, and that the Clerk of the committee's instructed to find such a location and that the time of reconvening shall be the call of the Chair, but shall be no later than tomorrow morning.

Any question? Any debate? Mr. Yates.

Mr. Yates: — Mr. Chair, once again I want to go back to the fundamental principle on which our democracy is founded, and that is that we are accountable to the people. We are here representing the people of this province. We have a responsibility to them. We have an obligation to allow them to participate by viewing our hearings. And denying people the opportunity — who in many cases may have travelled for hours to get here — by denying that, we're taking away a fundamental right that they should be guaranteed in this province.

And I cannot believe this government would behave in such a way that it's denying people, the citizens of this province, the right to hear what is being said in these hearings and denying them the opportunity to see the members as they answer and ask questions and to hear the submissions from the various stakeholders that want to make submissions to this committee. And, Mr. Chair, that denial is an arrogance beyond what I've seen in my 10 years in this Assembly. And the members of the government need to be accountable for the types of decisions they're making — not just to us, but to the people of the province of Saskatchewan.

You have an obligation, as do we. We all have to live under rules and responsibilities as elected members of this House. And I want the members of the government to consider this as they vote on these motions, because we have three more days of hearings, and is it their intent to deny people for not just today but every day, access to these hearings? And I think that's an important issue that needs to be answered.

[10:15]

The Chair: — Thank you for your comments, Mr. Yates. Mr. Stewart.

Mr. Stewart: — Our position ought to be, and is, that we're not prepared to deprive the people of Saskatchewan of the web streaming opportunity that's available to witness these hearings from this room. And we also have presenters that have come for today's hearings, and they will be heard, and I think we ought to go to the question.

The Chair: — Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Mr. Chair, as a member of the former steering committee that made the arrangements for these hearings, there was discussions with the former Deputy Chair. We discussed the hearing location. At that time there was no indication that room 8 was not suitable. We were open at that time to look at if there was a request to look at other venues; there was no request. We felt that this committee room was the best equipped to facilitate these hearings. With the cameras not working in the chambers, that eliminates that room.

I think if the cameras were working so that people throughout the province would have access to the video streaming, I don't think, we as government members would not be opposed to moving to the chambers, but the fact is that room is not available. We would be depriving many more citizens of this province from viewing the hearings by moving to a location where there is no video feed of any kind.

So I believe this is our best location and I believe we should stay here. I certainly can understand that the citizens that want to see and hear the presentations and the questions and answers would like a larger venue, but there was no request when these committee hearings were set up and there is availability of the presentations through video streaming for every citizen of this province who desire so to watch and hear what's happening in these presentations. So, Mr. Chair, I would suggest that we stay here and proceed with the hearings. We have presenters here that are waiting patiently, who have prepared and have looked forward to making a presentation to this committee, and I

suggest, Mr. Chair, that we proceed with those presentations.

The Chair: — Well we'll have one more comment from either side. Mr. LeClerc.

Mr. LeClerc: — These hearings are public where this has been set up for them to be public. Every citizen in this province has the access to the video streaming, not only live but later. People have crossed the province preparing to make their presentations. This was set up to be done in this manner, agreed to to both sides of the House, and I believe that we need to proceed in a manner that respects the people that are coming from both sides to present their views for our public to see and for both sides have opportunities to raise questions so that the public can hear both sides of the argument. That's what we are doing, and to stall these for any other reason is thwarting the thrust and the aim of this committee.

The Chair: — Thank you, Mr. LeClerc. One more comment from Mr. Broten.

Mr. Broten: — Thank you, Mr. Chair. The motion that we're debating right now is about finding a suitable location that can meet the needs of what the government is suggesting is their concern, which is web streaming, and meet the needs of the public out on the steps of the legislature, which is attending.

On the opposition, we were content and we thought it was a good plan to go ahead and have these hearings today in the Chamber because the audio feed would be available as would *Hansard* and then anyone who showed up today would be able to view the proceedings.

The motion that we're looking at right now is to simply say, well let's find a spot here in Regina that can fit a large number of people because it's very clear that a large number of people are very concerned and a large number of people want to attend. And certainly through the rest of the day and this evening, all of the technological requirements can be met in terms of cameras and audio and all of that. So this is a very reasonable motion given that the first two have so arrogantly been dismissed. Thank you.

The Chair: — Thank you for your comments, Mr. Broten. If I could make a comment as well. Listening to both arguments, I do think we do have to consider the people that have travelled distance to be here today, taking time out of their schedules, whether on either side of the issue, and the time that it would take to set up another room or find another suitable location. We have to take that into consideration before we vote. So with that again I'll read the motion:

That the Standing Committee on Human Services do now recess for the purpose of reconvening in a suitable location, subject to availability, and that the Clerk of the committee be instructed to find such a location and that the time of the reconvening be at the call of the Chair, but shall be no later than tomorrow morning.

All those in favour? All those opposed? It's denied.

Mr. Broten: — Point of order.

The Chair: — Mr. Broten, point of order.

Mr. Broten: — Thank you, Mr. Chair. I'm put in the sad situation of making a point of order, I believe, because I think the first three motions were very good compromises that were aimed at allowing the public to have access that have showed up today, and also the public at home that want to perhaps hear. And since these three motions have been so arrogantly dismissed, I now make this point of order.

Mr. Chair, you'll be aware that, as per rule 136 of the *Rules and Procedures* of the Saskatchewan Assembly, that the legislative Committee on Human Services is a standing committee of the legislature.

Furthermore, as per rule 119(2) of the *Rules and Procedures* of the Saskatchewan Assembly, and I quote:

Standing Committees are empowered to examine and inquire into all such matters as may be referred to them by the Assembly or otherwise stipulated under Rules . . . [and] to meet outside the seat of government to hear testimony . . .

It is clear that the mandate of the committee is to meet wherever it is necessary in order for all members of the public to feel that they have the ability to provide input to their government and to their elected officials.

The Canadian *House of Commons Procedure and Practice* manual is clear. To quote from citation 311 of Marleau and Montpetit:

The Committee may adjust the room allocation system from time to time, either to reflect changes in committee structure or to take into account requests made by individual committees.

And from citation 70 of that same manual:

. . . strangers are welcome so long as there is space to accommodate them and proper decorum is observed.

Mr. Chair, there is space to accommodate these visitors in our regular chambers. There has been a request made by members of the committee to meet in that room to accommodate these guests. This change of venue would allow the committee to properly carry out the mandate that it was given by the House.

Mr. Chair, in Erskine May's 20th Edition, page 226, we find out that the practice of allowing the general public to their government in the galleries is a tradition going back to May 1875. This is a 136-year-old tradition of parliament, Mr. Chair, to allow the public to have access to the galleries, so that they might watch their government debate and discuss public matters.

The legislation we are debating today affects these people's livelihoods, their jobs, their ability to put food on the table. I call on you to use the powers granted to you as the Chair of the committee according to Marleau and Montpetit, "Chairs of standing and special committees also often assume a leadership role in planning and co-ordinating the committee's work and in

conducting its investigations."

Mr. Chair, please use your leadership role to uphold the 136-year-old tradition of parliament and order that the hearings of this committee shall take place in the legislative chambers so that the members of the general public may watch from the galleries. It is clear that the Chamber of the Assembly should be used first and foremost for the business of the legislature and that there is no acceptable reason why the Chamber should not be made available to the committee today.

Mr. Chair, I hope you agree with me that when I say that the mandate of this committee as given to us by the legislature cannot be met in this room today. Given the standard practice that is acknowledged in all the parliamentary authorities of legislative committees to "adjourn from place to place", I ask that you would find my point well taken and as a result you recess this committee to the chambers. Thank you.

Some Hon. Members: — Hear, hear!

The Chair: — Thank you, Mr. Broten. That is not a valid point of order. It is debate. I do take that into consideration, but again in the process of setting up these meetings there was consideration taken by the steering committee and the decision was made to use this room. There's been ample facilitation to make sure people do have availability to the information coming from these meetings as well. There was a very well advertised and ample time for people to make submissions. They're still able to make submissions online.

So although you do make some very good points, your three previous motions have been defeated, and it's majority rules. And we will move ahead with the proceedings in this room. Mr. Broten.

Mr. Broten: — Well, Mr. Chair, I'm disappointed and saddened that the government would take the simple approach of majority rules. But I shouldn't be surprised because it's consistent with how Bill 80 has been drafted and has been put together, where majority rules and consultation is not involved.

Given that the first motion was defeated by government, given that the second motion was defeated by government, given that the third motion was defeated by government, and given that the point of order was not found in favour, I think all members here can agree we're in a situation now where there's a large number of people out on the steps of the legislature, a large number of people who took time out of their day to come here and to hear first-hand, first-hand in the flesh to hear the testimony concerning Bill 80. I think we would — I at least agree; I know members on this side and I'm quite confident a good number of members on the government side as well — agree that for democracy to be healthy, for democracy to be proper, for the interests of the public to be served well, a public consultation should be open to the public. It's self-explanatory. People should be able to come in the flesh and hear what people are saying. It's a fundamental aspect of a well-functioning democracy.

Given these concerns, Mr. Chair, I make one final motion. If the government is not willing to budge today, if they're going to be arrogant and stick to their guns in terms of staying in this room

even though the Chamber is wide open and we could move up there in 30 minutes and audio streaming is there for everyone to hear around the world, I think we need to address the issue for tomorrow and for the following week. So I would move:

That the remaining days of public hearings occur in the legislative chambers . . .

Mr. Chair, do I still have the floor?

The Chair: — Yes you do, Mr. Broten. Continue.

Mr. Broten: — Thank you very much. I'll start again from the top. I would move:

That the remaining days of public hearings occur in the legislative chambers or at a suitable location that allows any interested member of the public to attend in person.

I so move.

The Chair: — Mr. Broten moves that we consider moving the proceedings to the chambers for the next couple days of proceedings — if I have that more or less clear — seconded by Ms. Junor. All those in favour? Sorry, Ms. Junor. One speaker, Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. We would then have a minimum of 24 hours in order to facilitate the replacement of cameras back into the Chamber, if that is an absolute necessity of those government members. It may require additional funds. It may require some outside expertise brought in, but there's absolutely no reason that those cameras could not be replaced within 24 hours to make that Chamber available to us. It may require outside expertise, but it can be done — or if not, temporary cameras brought in and used.

The Chair: — Mr. Yates, I think that point was made by Mr. Broten.

Mr. Broten has moved:

That the remaining days of public hearing occur in the legislative chambers or at a suitable location that allows any interested member of the public to attend in person.

Is there any debate on this side? Take the vote. All those in favour? Opposed? Defeated.

Just for the information of the committee, I was advised that it's not for sure that cameras could be replaced in the chambers within a 24-hour period.

[10:30]

So now we'll carry on with the consideration of our witnesses and presenters. We'll carry on with the proceedings. Each presenter will be given a total of 30 minutes per witness — 20 minutes for presentation, 10 minutes for question and answer — and I will try and be discreet in my five-minute warning at the 15-minute point so you can wrap up your comments and give ample time for question and answer.

We're here for consideration of Bill No. 80, *The Construction Industry Labour Relations Amendment Act, 2009*. Keep in mind this Bill is through the second reading and been accepted by principle in the House, so I would like to remind all members that we must be relevant and adhere to the contents of the Bill. Any presenters that have brought along written submissions, please give them to the Clerk for distribution to members and they will be tabled with the committee. Members of the general public can view the public submissions and written submissions from witnesses at legassembly.sk.ca/committees/ as they become public record when tabled for that information.

Before our first presenter I will table document HUS 27/26, a submission from the General Contractors Association of Saskatchewan.

Welcome to presenters. Just get my list ahead of time here. Our first presenters are the Saskatchewan building and construction trades council of Saskatchewan and I'd like to welcome them. I ask them to introduce themselves for the purposes of committee knowledge and of Hansard.

Presenter: Saskatchewan Provincial Building and Construction Trades Council

Mr. Parker: — Hello. My name is Terry Parker and I am the business manager of the Saskatchewan Provincial Building and Construction Trades Council. I'm here today with Randy Nichols, president of the Saskatchewan Provincial Building and Construction Trades Council. The building trades council is composed of a dozen affiliated trade unions across the construction trades and represents between 5 and 8,000 members, depending on the level of activity in the sector.

First of all, let me thank you for the opportunity to make a presentation today to the Human Services Committee. As you listen to our presentation, I'm sure that you'll come to understand that the building trades takes the amendments to *The Construction Industry Labour Relations Act* proposed in Bill 80 very seriously. We believe that they represent a fundamental, and I might even say radical, change to the legislation and the way the construction industry is organized and ultimately the health of the industry. For this reason, we are appreciative that the government has taken our concerns and the concerns of others seriously enough to hold public hearings through a committee of the legislature.

My presentation today will take about 30 minutes. After that I will be available to try and answer any questions that you may have. I'll also leave you with copies of a written submission that outlines in greater detail our concerns with the legislation.

I intend to restrict my remarks today to a higher level of analysis of what I think Bill 80 will mean for the industrial construction sector in Saskatchewan, for unionized workers, and for contractors in Saskatchewan. I'll at times comment on the difference that I believe exists between the government's stated objectives in introducing Bill 80 and what I think Bill 80 will actually lead to.

And I'd like to make a statement right off the top that the Saskatchewan Provincial Building and Construction Trades Council strongly believes that Saskatchewan works best when

labour, business, and government work together. And I add to that statement a commitment that the building trades will work with government and contractors to . . . [inaudible] . . . stability in the sector, enhance choice and democracy for workers and employers, encourage continued growth in the sector, and promote Saskatchewan as a destination and a home for investors, contractors, and, most importantly, workers.

If we have not been clear enough in this offer in the past, we will be clear now. Working together, government, business, and labour can make a real and positive difference in the lives of Saskatchewan people. Working at a cross-purpose, however, will only hobble a sector that is healthier, more active, and more productive than it has ever been.

I want to speak to a number of points today. First I'll offer the Saskatchewan Provincial Building and Construction Trades Council's assessment of Bill 80, and here I'll make reference to the objectives for Bill 80 outlined by the government upon the introduction of the Bill in the House. Second, I will comment specifically on the abandonment provisions contained in Bill 80 and their implications. Third and finally, I will offer some thoughts as to alternatives to Bill 80 in terms of possibility of a productive engagement between government, business, and labour. And then, as time allows, I will gladly answer any questions that you may have.

Before I raise further concerns with Bill 80, I think it's helpful to have a discussion on the existing system and how it has contributed to 17 years of stability in the Saskatchewan construction sector — 17 years without a work disruption due to labour relations.

The concept behind the existing system is quite simple. Construction collective agreements are bargained provincially between the employers and employees at one table — the employers on one side in the form of the representative employers' organization such as the CLR [CLR Construction Labour Relations Association of Saskatchewan Inc.] and the employees on the other side represented by the trade unions and the Saskatchewan Provincial Building and Construction Trades Council. Wages and benefits apply across the province and, most importantly, the system is inherently stable because one collective agreement governing all unionized employees in a trade division in the province acts as a powerful disincentive to labour disruption.

In a 2001 decision, the Saskatchewan Labour Relations Board described the dangers of the type of wall-to-wall system that Bill 80 advocates, and commented on why the existing system is so stable. They said:

The stabilization goal of accreditation laws would be compromised if the Board permitted "wall-to-wall" bargaining in the construction industry. Complex patterns of collective bargaining would replace province-wide trade negotiations. Multiple bargaining tables, each with their own right to strike and lockout on any construction project, would replace single province-wide trade tables. In the construction industry, the existence of a picket line at the gates of a large project can have the effect of shutting down the entire project because of the principles of union solidarity that are typically practised by

construction workers. This potential for chaos is the . . . [heart] that was sought to be avoided in the enactment of the construction industry labour relations laws throughout the country.

And that's a quote directly from the Saskatchewan Labour Relations Board. In other words, under the existing system, labour disruptions don't occur because taking down the whole system is too great a price to pay.

So back to my comments on Bill 80. I'll begin where it all begins — with the economy. We all know the economy in Saskatchewan is very strong. Our economy has shown phenomenal growth in recent years and especially in spite of recent global economic downturns. According to the *Sask Trends Monitor*, Saskatchewan's economy grew by a remarkable 25 per cent in 2008, on top of growth by 11 per cent in 2007. Real GDP [gross domestic product] grew by 4.4 per cent, which is double the long-term average of 2.1 per cent. That is the largest among the provinces. In fact, Saskatchewan's economy has grown at a rate above the long-term average in five of the past six years.

The fortunes of the construction industry have followed closely along with the wider economy. Measured by the value of building permits, activity in the construction sector bottomed out in the early 1990s when the value was less than 350 million per year for three years running. That tripled by 2005 and doubled again to more than 2 billion in 2008. As you would expect with that kind of economic growth, our tradespeople are working. I don't need to tell anyone in this room about the strength of Saskatchewan's employment numbers. Just as the construction sector has mirrored the strength of the overall Saskatchewan economy, so have our job numbers. The boom in construction has meant a boom in construction jobs.

Construction employment traditionally ranged between 20 and 25,000 jobs throughout the 1990s. Over the last five years, employment in construction has grown at 9.6 per cent per year and in 2008 averaged a whopping 37,000. And while construction job growth has occurred in other provinces as well, our five-year average growth of 9.6 per cent annually is well above the national average of 6.3 per cent and behind only Newfoundland and British Columbia.

I've heard some say that we need to change our labour laws because Saskatchewan is an anomaly in Canada. Well Saskatchewan is an anomaly not because of our labour laws, but because of the strength of our economy, the strength of our construction sector, and the strength of our job growth.

Not surprisingly, given our job growth, we are also training apprentices at a record pace. As the members of the Human Services Committee know, the Saskatchewan Apprenticeship and Trade Certification Commission is industry led. That means that both employers and employees, including heavy representation from unionized sectors, serve on the boards of the commission. Union members also contribute their time and expertise to the joint training committees and the training boards and are the backbone of the apprenticeship system.

Using activity as a measure shows that apprenticeship is working. We are training ever more of our young people to

work in the 50 designated trades in Saskatchewan. As of June 30, 2008, there are 8,130 apprentices registered in Saskatchewan. This represents an increase of 20 per cent over the total at the end of 2007. The commission received 2,853 new registrations in 2007 and 2008, which exceeded the previous year's record of 2,408 new registrations. These numbers attest to the success of the program and the high level of activity under way in sectors served by apprenticeship, including construction.

Apprenticeship only works when there's a strong partnership between the employers and employees and when there are jobs. The economy is strong. The construction industry is strong. The apprenticeship system is strong. The system in place under *The Construction Industry Labour Relations Act* is working. I'll say it again: Saskatchewan is working right now, perhaps better than it ever has.

This begs the question: why would you put that strength in jeopardy? Why would you risk destabilizing a system that has produced such stellar results? And why would you try to fix a system that isn't broken? And why would you do it without first talking to the men and women who work every day in the industry about what they think would be best? These are some of the questions that I respectfully hope the committee will keep in mind as it considers this issue.

The government did of course, in its introduction of Bill 80, outline its reasons for why proposed amendments to *The Construction Industry Labour Relations Act* are necessary. I'd like to take a few moments to give you my thoughts on the government's stated objectives. We are told that the amendments are necessary, and I quote here the Minister of Labour in his news conference, "first and foremost, for the choice of employees."

I'd like to address this notion that Bill 80 amendments will provide more choice for employees. Under *The Construction Industry Labour Relations Act*, a construction worker in Saskatchewan has the choice to work either for a unionized or a non-unionized contractor. If that worker chooses the benefits of working on a unionized site, then he or she must join the union associated with his or her particular trade. If you are a pipefitter, for instance, you would join the United Association of pipefitters and plumbers, or the UA as it's commonly called.

I believe it is this requirement to join a provincially specified union that the government finds lacking in terms of choice or that the choice for a worker is in effect limited to the choice between working for a unionized or non-unionized site. So let us examine the choice that the Bill 80 amendments would offer for workers in Saskatchewan.

Bill 80 will allow contractors to pick the union they want to deal with through a process called voluntary recognition. This differs from certification, where it is the workers who decide they want to join or form a union. Under Bill 80, a contractor may voluntarily recognize the union of its choice, including a dummy union or an employer union. This allows the employer to choose the so-called union and then choose the terms of the collective agreement, including wages and benefits. Under this scenario, the choice for the employee is take it or leave it.

Let me be absolutely clear on this — Bill 80 does not expand choice for workers. If there is one point that I can leave you with today, it is this — if your choice as a worker is whether to be represented by the union that the employer has picked for you, that is no choice at all.

In 1999, the Alberta Labour Relations Board outlined the risks of voluntary recognition in relation to a case involving the Christian Labour Association of Canada. They said:

... there are risks to voluntary recognition which are not present ... where the relationship is initiated by ... certification proceedings. For example, there is a danger that a "sweetheart" deal may be struck, one which favours the trade-union and management but which is to the distinct disadvantage of the employees ... Alternatively, an employer may, for no readily apparent reason invite a trade-union to enter into a collective agreement, but later examination reveals that the employer's objective was to influence his employees against another trade-union which had been experiencing some organizational success. Finally, even in the absence of such clear improprieties, it is entirely possible that a voluntary recognition will result in the employees having foisted on them a bargaining agent which they never wanted and still do not want.

And that's directly from the Alberta Labour Relations Board.

[10:45]

The Christian Labour Association of Canada has often been accused of being a company union with substandard collective agreements and anti-democratic structures and processes. In a comparison of wages at one Alberta employer that managed to get rid of a legitimate union in favour of the Christian Labour Association of Canada, it was found that wages dropped in 9 of the 11 occupations, some by more than 25 per cent. The number of paid vacation days and holidays was also reduced.

And outside of the CEP [Communications, Energy and Paperworkers Union of Canada] and the Christian Labour Association of Canada, they were the only so-called unions that the government consulted in developing this legislation. Certainly organized labour in Saskatchewan was not consulted.

I should add here, as we consider the issue of choice for workers, that I have not heard a single worker, unionized or non-unionized, ever complain about this so-called lack of choice. It is a non-issue. I would challenge the government to produce any evidence that the working men and women in Saskatchewan's construction industry want this change. I can tell you the 5 to 8,000 members of the Saskatchewan Provincial Building and Construction Trades Council oppose the Bill 80 amendments.

I would also ask why the government has singled out construction workers. The situation of workers being required to join a predetermined union exists in all kinds of sectors in Saskatchewan, not the least of which being among workers employed by the provincial government itself. If you work for the Government of Saskatchewan, you're required to join the SGEU [Saskatchewan Government and General Employees' Union]. If you work for one of the health regions as a nurse in

Saskatchewan, you're required to join SUN [Saskatchewan Union of Nurses]. If you work for the publicly funded school, you join the STF [Saskatchewan Teachers' Federation]. If we do not think employee choice is important in these areas, why is it important in construction? Because the government is using worker choice to cloud the real impacts of Bill 80.

Another of the justifications the government gives for introducing Bill 80 is that without the amendments, construction companies from outside of the province can't come into Saskatchewan with their workers that they may have an existing relationship with. In fact, there's nothing to prevent a company from coming to Saskatchewan and nothing to prevent them from bringing their workers with them. In fact, any company outside of Saskatchewan could bid on and win a contract in Saskatchewan and could then bring in or hire as many workers as they want in Saskatchewan and start working. It's as simple as that.

If, however, the workers of that company decide for whatever reason that they want to be unionized, they could do so. It's my strong suspicion that the government wants to prevent these workers who worked for a non-unionized employer from certifying that employer. Bill 80 will diminish the ability of the employees on a construction site to organize and form a union. Bill 80 does this by allowing a company, for instance a contractor from outside of Saskatchewan, to strike an arrangement with an employer-friendly union, sign a sweetheart deal, and require anyone who works with that employer to join the union that the employer's choosing.

I'd like now to move on to the abandonment provisions included in Bill 80. Abandonment refers to the notion that a union has abandoned its bargaining rights through inaction or inattention and, if such situation is found and proved, would enable the Labour Relations Board to revoke a union certification. Although the concept of abandonment has long been considered and applied by the Saskatchewan Labour Relations Board, neither *The Trade Union Act* nor *The Construction Industry Labour Relations Act* has ever contained provisions governing the concept. Bill 80 would legislate the concept and change dramatically the law relating to abandonment in Saskatchewan.

Interestingly, for at least 20 years the Labour Relations Board in Saskatchewan has ruled on matters of abandonment without requiring any specific legislative provisions to do so. And the courts in Saskatchewan have, through their past rulings, supported as reasonable the LRB's [Labour Relations Board] authority to consider and make decisions on abandonment. This begs the question, if the LRB has the authority to rule on abandonment and has in fact done so with the support of the courts, what is the purpose of the abandonment provisions in Bill 80?

After a careful reading of the legislation, the answer appears to be that the government is intending to dramatically change labour law in Saskatchewan to allow employers to use abandonment as a back door of getting rid of union certifications. It is worth noting as well that if these changes become law, Saskatchewan will be the only jurisdiction in Canada, the only jurisdiction in Canada that has enacted legislation on abandonment in this retroactive manner.

This is a complicated issue, and I'll try my best to state our understanding of the changes in Bill 80 in the simplest of terms. In essence, the abandonment provisions in Bill 80 will allow employers to walk away from their certifications orders if they can prove that a union has been inactive for three years, even in the distant past, and even if the employer bringing the claim of abandonment had no employees during the three years in question.

The new abandonment provisions could be used immediately to clear the decks of any inactive certifications in the construction industry. This was not previously possible because without Bill 80 provisions, an employer could not successfully argue that abandonment occurred in a situation where it had no employees. The reasoning seems obvious: a union can hardly be actively promoting its bargaining rights to an employer if that employer had no employees on whose behalf a union may bargain.

Bill 80 specifies that no such limitations shall be placed on the Labour Relations Board in a consideration of abandonment, specifically proposed in section 6.1(4), states that:

the board is not limited in the exercise of its jurisdiction by the system of collective bargaining in the construction industry pursuant to this Act or by the absence of employees in the appropriate unit of an employer with an active presence in the construction industry.

Additionally, Bill 80 amendments will allow any three-year period to be considered by the Labour Relations Board in assessing abandonment, including the distant past. Section 6.1(4) states in paragraph (c) that:

the board may consider any period of inactivity by a trade union in the promotion and enforcement of its bargaining rights, whether that period occurred before, on or after the coming into force of this section or the filing of any application pursuant to this Act or *The Trade Union Act* . . . [representing] that employer.

So for instance, if a construction company — I'll call it Green Construction — is operating under a long-standing certification order in Saskatchewan, they could bring a claim of abandonment before the Labour Relations Board. Under the provisions of Bill 80, a union could be found to have abandoned its bargaining rights, and thus its certification, if at any time in the past there were three consecutive years of inactivity, even if that inactivity existed because Green Construction had no employees during those years, and even if those three years of inactivity were followed by a dozen years of active bargaining and representation. A situation of union inactivity for a three-year period was not uncommon during the 1980s, following the repeal of the legislation governing the construction industry.

Further, the Bill 80 amendments state that the Labour Relations Board is not limited in making a determination of abandonment by the system of collective bargaining in the construction industry. This means a union could be found to have abandoned its bargaining rights because it had bargained with the representative employer organization, the REO — on behalf of the employees with the designated unions, as is required to do

so under the current law — instead of having bargained with the particular employer.

So for example, if the UA has a long-standing contract bargained with the representative employer's organization — of which Green Construction is a member — and the UA has bargained in good faith with that REO as is required to do so, under Bill 80 Green Construction could say the UA has abandoned its responsibilities and apply to have the UA decertified, all because Bill 80 changes the rules retroactively and asks the Labour Relations Board to specifically ignore the nature of the construction industry and the legislative requirements on unions to bargain with the REOs, not individual contractors.

Changing the rules by which we govern our relationships after the fact is a power very rarely used by governments and should only be used to correct a significant injustice. The fact that many of these contractors have had an active, stable, and productive relationship with their certified unions over the most recent 15 years suggests there is no injustice to correct.

Another interesting point I would like to raise is the abandonment provision in Bill 80 will apply only to construction certifications under the old system — that is, the system of relationships between unions and unionized employers that existed since 1992. Under *The Construction Industry Labour Relations Act*, new employer-driven unions won't have to worry about these charges of abandonment because the abandonment provisions in Bill 80 won't apply to them.

The Chair: — Mr. Parker?

Mr. Parker: — Yes?

The Chair: — I just want to notify you there's 10 minutes left, if you'd like to take questions and answers, if you just want to just get your comments wound up.

Mr. Parker: — I've got just a few more minutes and I'll be done.

The Chair: — Thank you.

Mr. Parker: — Taken together, Bill 80 amendments give unionized contractors ample opportunity to shed their union certification. This is especially important when you consider that Bill 80 will essentially create two parallel and uneven industry labour relations systems in Saskatchewan.

As the Minister of Labour has pointed out, the existing system under *The Construction Industry Labour Relations Act, 1992* would stay in place for existing unionized contractors while inviting new contractors into Saskatchewan under a new set of rules. The government has said that the Bill 80 amendments are necessary to make the construction industry more competitive. That's not my opinion. But if you take the government at its word, then contractors in the new system proposed by Bill 80 will be more competitive, i.e., able to bid on and win more contracts than contractors who continue to operate under the old system. If this is the case, then contractors under the old system — Saskatchewan-based contractors with Saskatchewan workers

— will be at a competitive disadvantage compared to out-of-province contractors with out-of-province workers.

In essence the government will place Saskatchewan firms and Saskatchewan workers at a disadvantage compared to their out-of-province competitors. That is bad enough, but it appears, in an attempt to remedy that situation, the government has given local contractors a way out of their certification through Bill 80's abandonment provisions so that they can compete on a level playing field with their out-of-province competitors.

To conclude, I would like to reiterate three points and make a suggestion as where to go from here. First, the construction industry in Saskatchewan is very strong. Building permits, employment levels, and apprenticeship are all up. The system is not broken. The government doesn't need to fix it.

Second, although the government has said the issue of employee choice is at the forefront of their reasons for introducing this legislation, in fact the only additional choice provided is to employers. The democratic thing to do here would be to talk to the working men and women of Saskatchewan, and not just the Christian Labour Association of Canada and progressive contractors of Alberta, whose head, by the way, is a former long-term CLAC [Christian Labour Association of Canada] staffer.

Third, the abandonment provisions of Bill 80 are radical and will allow employers that wish to do so to shed their union certification, conceivably against the will of its workers. To retroactively change the rules governing abandonment is at odds with the principles of good government.

Finally, I'd like to end with a suggestion of where to go from here and to reiterate an offer that I made at the start of this presentation. The government needs to give a comprehensive rethink to Bill 80. The Saskatchewan Building and Construction Trades Council and their affiliated unions are ready, willing, and able to work with business and government to make an effective system work better.

When I said that Saskatchewan works best when business, labour, and government work together, I meant it. We are not afraid of change, and we're not unwilling to create new and valuable ways of doing things. We like it when employers thrive because when employers thrive, our members benefit.

But let us not risk the stability of the system. We need to consider very carefully the implications of shaking up this system. To quote *Alberta Venture* magazine, that province's most widely read business magazine, the Christian Labour Association of Canada has caused "so much controversy in Fort McMurray that it has sparked fist fights and rallies by rival tradespeople who take union affiliations so seriously they wear their opposition to CLAC on T-shirts and hard hats."

That is the kind of disruption we can do without. We should be spending our energies on building infrastructure that will grow our economy. The government should set aside Bill 80 as flawed and unworkable, and work with organized labour to chart a new, fair, and democratic course for the construction industry. Thank you very much.

The Chair: — Thank you, Mr. Parker, for your very detailed presentation. Now we'll entertain questions to the Saskatchewan Building and Construction Trades Council. Slightly into the allotted time for presentation, we might cut questions a little bit short to try and get back on time. But I'll entertain questions at this time. Mr. Stewart.

Mr. Stewart: — Thank you for the presentation. Witness, what do you say to the hundreds of CLAC members who live in this province and can't work here?

Mr. Parker: — They can work either union or non-union in this province. It's as simple as that.

Mr. Stewart: — But not through their union.

Mr. Parker: — We're willing to work with the government to try and figure out solutions to those types of questions. The thing is, we shouldn't put the whole system in jeopardy and destabilize the system to try to accommodate certain groups out there.

[11:00]

The Chair: — Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. I have several questions. Today could members from other union organizations such as CLAC seek membership in your organization, and would they be accepted as members?

Mr. Parker: — Definitely. They could come in and apply to be members in our unions and be accepted as members, and they could go and work in this province in the construction industry. Or else they can go and work non-union in the construction industry in this province as well.

Mr. Yates: — Thank you very much. So members of CLAC or any citizen of the province is not denied membership in the building trades.

Mr. Parker: — No, no one is denied access into the construction industry. Would you like to say something?

Mr. Nichols: — I would just like to say by qualification, we do try to keep within the qualification schedule. And they can start out maybe at a apprenticeship level, but the only reservation we have with people is by qualification.

Mr. Yates: — Thank you very much. And my second question is, in any forum were you consulted prior to this legislation being brought forward and these changes being proposed? In any forum were you consulted or did you have any input whatsoever?

Mr. Parker: — We were made aware of the Bill the day of it being introduced in the House. We were brought to a technical briefing — the building trades and our affiliates and a number of other concerned people in the industry.

Mr. Yates: — Thank you very much. My final question: at any time has the employers that you deal with brought forward to you serious concerns and the need for this type of change in

legislation in the province?

Mr. Parker: — No, absolutely not. They've actually been against Bill 80, a number of the contractors that we have spoken to.

Mr. Yates: — Thank you very much.

The Chair: — Thank you, Mr. Yates. Mr. LeClerc.

Mr. LeClerc: — Just a clarification for me. At the beginning of your presentation, you talked that there had been no labour disruptions in the province basically because one union could stop everyone else from going on to the work site, that they wouldn't cross the picket line. And that just seemed to me to be somewhat arbitrary, maybe a little bit on the blackmail side, but certainly arbitrary for the other members of the unions, so that if you had one union, say the electricians that went on strike, none of the other union members would be able to go to work at risk of being blackballed for crossing a picket line.

Now I have to confess I've never been in a union, and so I'm not sure of some of the ramifications of that. But I have been told from some of the people in my riding who are members of the union that they have felt pressure and intimidation, and resented the fact that they couldn't go to work and make a full wage because some other union other than theirs went on strike.

Now that seems to me to be, you know, a heavy hammer of stopping labour unrest when the employer and the other unions don't have any remedy. Could you just clarify that statement for me?

Mr. Parker: — It's not that they would be blackballed from the industry or from that union. It's because of the solidarity factor that's so heavily entrenched within our unions that they feel compassion not to cross the picket line when another brother or sister is out on the line. It's not that they're being held up, that they can't cross that line; it's that they feel solidarity not to cross that line.

Mr. LeClerc: — But the ones who have talked to me, they felt intimidated and they felt, somewhat, resentment. And so is there a mechanism — and obviously there isn't — for them to be able to go to work? Because then they're called scabs and the other derogatory remarks made and intimidated.

Now again, I've never had to cross a picket line. I've never been a member of the union. I'm only reacting what I see publicly, what I've seen in other provinces when strike action happens. And it just seems to me to be relatively unfair, and the one thing I am about is fairness. It seems to me that that in and of itself seems to be unfair.

Mr. Parker: — Now if they were in a legal strike position, it would be a different situation. But if they're not in a legal strike position, they actually have a contract that they have to live by, so they would have to actually go to work anyways. So it's just that they feel that solidarity not to cross the line, so it's their option to not pass that picket line. The union would have to actually go out and say that you guys would have to go through there if they weren't in a legal strike position.

Mr. Iwanchuk: — Thank you very much for the presentation, first of all, from Mr. Parker. And just adding to Mr. LeClerc's statements, because you mentioned a history, a long history of where we got to this Act. You talked about issues of fairness and balance that are hard to achieve. You also mentioned that there were a number of years since the last . . . I believe you said 17. That to me says that we do have a fairly stable system that has been developed. I'm probably certain that there are things that your unions will probably disagree with that; I'm probably certain there are probably things that the general contractors disagree with.

But at the end of the day because collective bargaining is a unique system because it tries to deal with fairly, with the balance that you achieve. And I believe you also spoke of, the sentence that struck me was that you said it would be quite the thing to shut down the whole industry. And you talked about when contractors are . . . when the economy's healthy, you're healthy; your memberships grow and that.

So this, I guess it's interesting to me because we can raise spectres of what might happen, but this balance that we've achieved — and I think you talk about that stability in our economy — because obviously our economy has grown as a result of what we have. There was no changes. So I wonder if you could talk a bit about that stability and fairness and just maybe elaborate on that a bit.

Mr. Parker: — Like I've said, we've had 17 years of stability with no labour disruptions in the province. And I'm not trying to blackmail you, saying that this is going to happen, but there's that possibility with the changes in Bill 80 that there could be labour disruptions in this province because of the changes.

That's the one thing we're trying to avoid. The economy is working; our people are working. Why try to fix a system that isn't broken? What for? We just don't understand why we need these changes when everything is going so good in this province right now.

Mr. Iwanchuk: — Thank you very much.

The Chair: — Ms. Junor.

Ms. Junor: — I have a question. For years there was an entity called, I think, the Construction Panel. It was supported by government, attended by government, attended by business and the construction industry. That you mentioned at the beginning that you're willing to work with business and labour in government together to make changes if needed, but if not, I mean, we don't see that; we don't see the need. Is that construction panel still operating under its previous?

Mr. Parker: — Yes, the Saskatchewan Construction Panel still is in operation. I sit on the Construction Panel. Behind me, Michael Fougere also sits on the Saskatchewan Construction Panel. There's a number of key stakeholders that still sit on that, and we do still work together trying to resolve problems in the industry.

Ms. Junor: — My question was two points. I wanted to know, first of all, was the entity still working; and second, was that any mention of these changes to this Bill brought to that group

of people who represented both — all business, labour, and government?

Mr. Parker: — To my knowledge, this has not gone to the Saskatchewan Construction Panel for any review of any kind.

The Chair: — Ms. Eagles.

Ms. Eagles: — Thank you for your presentation. You had mentioned that labour disruption in the construction industry could be a result. Union contractors make up what percentage of the construction industry?

Mr. Parker: — From the facts that the Saskatchewan Party has produced, they say 20 per cent. However we deal specifically or a great deal in the industrial construction sector. And in the industrial construction sector, I'd say we make up around 80 per cent of that market share in that sector.

And when we look at other unions that are trying to get involved in the construction industry in the province, this is the sector that they want to get involved in — is the industrial sector — not the residential, not the commercial. When CLAC, or the Christian Labour Association of Canada, says that they want to come into this province and work in this province, they're not looking at working in the commercial sector or the residential sector.

Ms. Eagles: — So overall, what would the percentage be? Do you have a figure?

Mr. Parker: — Overall I'd say that it probably is roughly around 20 per cent, but in the industrial construction sector, I'd say it is around 80 per cent.

Ms. Eagles: — Thank you.

The Chair: — Thank you. We've covered the full 10 minutes or a little bit better of the allotted question and answer time. I'd like to thank Mr. Parker for his presentation and the committee members for their questions and his answers. We'll take a short five-minute recess to facilitate changing of presenters and reconvene here.

Mr. Parker: — I'd like to thank the committee for allowing us to do our presentation today, and I still put that offer out on the table, that we're willing to work with government on any changes. So thank you very much.

The Chair: — Thank you very much, Mr. Parker. So we'll be back here at shortly after 11:15 to reconvene for the second presentation of the morning.

[The committee recessed for a period of time.]

The Chair: — We're 22 minutes past the hour, a little bit after our recess time, so we'll reconvene. I'd like to welcome the Saskatchewan Construction Association. I'd ask presenter to introduce himself, and again for the knowledge of the committee and for the purposes of Hansard. And remind that we have 20 minutes for presentation — I'll give a five-minute warning — and then 10 minutes for question and answer.

At this time I guess we'll just have to carry on with the recess till we have quorum. The opposition members aren't in the Assembly or aren't in the meeting room.

[The committee recessed for a period of time.]

The Chair: — Okay. Seeing as we have quorum, we will continue. I'd just like to announce to the people in the committee room and the members that we've had a short meeting and we've allowed, made concessions for five media to be in the room at some point to report on proceedings live from the room. Mr. Broten.

Mr. Broten: — Well my understanding of the agreement concerning media was that it was not limited to five, that we would not be choosing which journalists would be allowed and which would not be, but if there's media that want to come, they're allowed in.

The Chair: — Well I think what the agreement, in talking with the legislative staff, is that there's room to make, we'll make room for five chairs, and whichever media are able to take up those chairs are very acceptable. So we'll try and, in the interest of democracy, try and get as much media in here as possible so that we have a good reporting system.

So with that we'll carry on with the presentation from the Saskatchewan Construction Association.

Presenter: Saskatchewan Construction Association

Mr. Fougere: — Thank you, Mr. Chairman. My name is Michael Fougere and I'm president of the Saskatchewan Construction Association. And on behalf of the Saskatchewan Construction Association board of directors and our entire membership, I want to thank you for allowing me to appear before the Standing Committee on Human Services to review Bill 80, *The Construction Industry Labour Relations Act* amendments, 2009. This legislation is critically important because it directly affects our industry and our membership. At the end of my presentation I'd be pleased to answer any questions that you may have.

The SCA [Saskatchewan Construction Association Inc.] wants to thank the government for introducing this legislation. Our industry has been asking for the issues contained in this Bill to be addressed in a comprehensive way. We thank the government for its leadership and the moderate and reasonable way in which it is attempting to rebalance the industry and bring our province more into line with other provinces.

It is important to note that while we support Bill 80 in its entirety, we note there are other areas that we see need for the government to act. This legislation is a good first step, but much more needs to be done. We note areas of change such as amendments to *The Workers' Compensation Act* and *The Occupational Health and Safety Act* are just two areas where we see further need for changes.

Perhaps the best place to start my presentation is with a brief description of the Saskatchewan Construction Association, who makes up our membership, and what is its impact on the provincial economy. The SCA represents the industrial,

commercial, institutional, road building, and heavy construction industries across the province. In total our industry currently employs 36,800 residents across the province.

Our industry is characterized by chronic skilled labour shortage because of both the rapid growth in the industry and because of impending retirements in the industry. The Construction Sector Council and the labour market information committee estimates that Saskatchewan will need more than 4,300 workers over current employment levels to meet construction demands in the future. Saskatchewan's construction industry will need to replace an additional 4,400 workers in the next few years.

Our association is comprised of all segments of the construction industry from general contractors to all the trade contractors. Those construction trades include electrical contractors, mechanical contractors, drywallers, roofers, professional painters, road builders, glass dealers, bricklayers, steel fabricators, ready-mix concrete producers, Wall and Ceiling Bureau — in short, all construction contractors are members of SCA. In addition, 81 per cent of the industry is non-union with the remaining 19 per cent being unionized.

In terms of our impact on the economy, our industry contributes \$2.5 billion annually in economic activity. The SCA motto is "We Build Saskatchewan," and that quite literally is true. Our members build our schools, our hospitals, bridges, highways, streets, water and sewer facilities, recreational facilities, hotels, high-rise accommodations, and yes, even homes are built by us in our great province. Our contractors and employees are proud of the work that we do to build our province.

We view the changes being introduced by Bill 80 as an important modernizing of our labour environment. The changes fully respect current relationships and offer greater choice for our employees. It also removes great uncertainty which would help attract investment and employment. That's a summary of who we are and our impact on the economy.

Now I'd like to turn to provide some response to some information and misleading statements that we recently heard in the legislature. I say this with the greatest respect, but we do need to sort of clarify some basic positions.

The SCA feels compelled to respond to these comments because they are detrimental to the construction industry and all employees across the province. Those comments in large measure are ideologically based, are not grounded in fact, and add nothing to the discussions on how we can move our province forward. They call into question the character and motives of our contractors and our employees, all who are dedicated to build this province, to create careers and contribute to our growing economic prosperity. Our companies and employees make significant contribution to our province. It is for these reasons that SCA feels it has no choice but to respond.

The first point is the notion that only unionized employees support the apprenticeship system, and that non-union contractors do not support training. This quite simply is not true. All contractors, either union or non-union, equally support our apprenticeship and training for our employees. No one has a monopoly on training, and all contractors and employees place an extremely high priority on apprenticeship and training

system. As we all know, training is provided through the Saskatchewan Apprenticeship and Trade Certification Commission. They provide the same training for all apprentices. Widely inaccurate assertions that a library or bridge or any other structure that is constructed by a non-union contractor is inferior because of sub-par training to union contract work has no basis in fact, and does not help the debate at all.

Similarly, suggestions that non-union contractors compromise workplace safety has no basis in fact. No evidence was provided because there is no evidence. Contractors, either union or non-union, fully comply with safety and training in the workplace. The Saskatchewan Construction Safety Association provides outstanding workplace safety training. It is equally supported by all segments of the industry, both union and non-union.

It should also be pointed out that the wages and benefits of construction employees remain competitive. Supply and demand, particularly in a competitive market with a shortage of skilled labour, will continue to see upward pressure on wages and benefits. There is no race to the bottom at the expense of profit, as is alleged. These comments are again without foundation. In fact, many non-union companies' compensation packages far exceed those offered in union agreements.

The comments to which I refer are incredibly unfair to the thousands of employees who build our province. All workers, along with employers, are truly caring and progressive group who take trades training and workplace safety very seriously. Look at the safety records of a company like PCL, who have a remarkable record of workplace safety, and like other companies in our industry continuously provide safety training and workplace skills development for their employees.

[11:30]

SCA wonders why the construction industry contractors are being attacked rather than discussing how we could build our industry capacity to sustain our economic momentum. Depicting contractors as uncaring employers who exploit workers and who are bent in cutting safety in the workplace is completely false. The SCA sincerely hopes collectively that we can rise above the ideologically based debates that so far characterize our public debate. We certainly note that, Mr. Chair, that the debate continually in the public forum is one of union versus non-union, business versus labour, polarizes the debate, and it makes it very difficult to come to a consensus or a medium, mid-range solution to these problems. It's an unfortunate characterization of our industry for a number of years.

I'd like to turn now to the SCA's position on Bill 80. Today Saskatchewan economy continues to roll along. Compared with other provinces, Saskatchewan continues to create jobs and attract investment. Our economic growth leads the nation. The key is to maintain the economic momentum that we're all experiencing. Setting the tone for growth, removing barriers to investment, creating jobs, and setting a strong environment for growth are key elements to the government's economic policies. Undue and unnecessary intervention in economic relationships such as exist with the CILRA [*The Construction*

Industry Labour Relations Act] needs to be updated and clarified.

Governments across Canada today are providing economic stimulus packages to help our economies weather the economic turbulence. In Saskatchewan the government has announced in its last budget a \$1.5 billion investment in infrastructure with a \$500 million booster shot to the economy. This quick stimulus has been welcomed by our industry as an important recognition of the role the government plays in times of severe economic uncertainty. Investing in infrastructure is a key to sustained economic growth. It will position our province well as we move out of the current global recession.

The SCA agrees with the government's stated purpose of its amendments to *The Construction Industry Labour Relations Act*. Building industry capacity, attracting more contractors and employees to the province to do the infrastructure work that needs to be done is a laudable goal and we fully support it. The Saskatchewan Construction Association has viewed the legislation and discussed it with our membership, which is comprised of both union and non-union contractors and employees.

The SCA offers its full support of the Bill. Specifically the SCA supports the provisions of abandonment. Currently contractors may be subject to old union certification orders even when they have been operating openly in a non-union basis for a number of years. Our membership believes that this circumstance creates uncertainty for the employees and contractors. It is time to bring about changes to put Saskatchewan in line with other provinces.

We refer to the recent Saunders Electric case as a prime example of why the principle of abandonment must give the Saskatchewan Labour Relations Board the authority to investigate cases where there is a complaint that a union has abandoned its bargaining rights and revoke the union certification based on abandonment and complaint. And I note that in the provisions as I understand them, it is not a unilateral revocation. It is based upon a hearing with the employer and employee and the union to understand the nature of abandonment.

In the Saunders Electric case, for many years a union chose not to represent the workers, having in every practical sense abandoned activities under the collective agreement. Many years later the union decided to reactivate this agreement. The Labour Relations Board recently ruled in favour of the union and required the company to pay back years of union dues, which would effectively bankrupt the company. The SCA asked, is this fair? What about the rights of the workers today, who for many years received no support or representation from the union, to suddenly now be represented by the union?

What about the democratic choice of workers who will be certified without any say? The SCA says, in this case, workers' rights have been denied because they have no say, they have no vote on whether they want to be in the union. And what about the rights of the company? For years the union made no attempt to represent the employees; it chose not to exercise its bargaining rights. The payment of past dues by any measure is unreasonable. Is this fair?

This situation causes great uncertainty for the company and its employees. The SCA believes the concept of abandonment is fair and reasonable and is recognized in legislation or in provincial policies and practices across Canada. It is Saskatchewan that has to catch up with the rest of Canada and modernize its legislation to reflect prevailing standards across Canada.

These are critical issues that must be addressed to clarify and strengthen the rights of employees and companies. The insertion of the principle of abandonment addresses these issues and provides predictability, stability, and fairness as an essential element for economic development, investment attraction, and job creation. It restores a democratic right of employees to choose who represents them, and for the employer it removes a huge uncertainty. Bill 80 also allows the trade union to organize a company on a craft or single-trade basis, a multi-trade, or an all-employee basis. This provision offers employees greater choice and does not endanger the existing or the building trades unions.

The legislation also allows for any trade union to certify an employer and, if certified to a traditional union, the employers can change the representative employer organization if the majority feel they are not being properly represented. The SCA views these provisions and finds them to be fair and reasonable and balanced. To our membership, these provisions provide greater employee choice. The SCA notes that Saskatchewan is the only province that has legislation that requires unionized employers in construction to be a member of a representative organization for bargaining, and we are the only province that stipulates which unions are allowed to represent employees in the construction industry. Simply put, we wonder why it is the government that makes the choice, and not the worker, for which union represents them.

The SCA respectfully submits this is unfair and undemocratic. Employees should have the right, should have the choice without government specifying which unions can represent workers. The SCA believes freedom of choice is easily understood and accepted by employees. The legislative changes will put Saskatchewan in line with other provinces for which we compete with labour.

The SCA notes comments on wall-to-wall unions and its effect on building trades. The concern rests with the presumption that companies will not use employees according to their skill, as an apprentice or journeyman designation, but rather direct them to conduct workplace activities for which they are not trained. An example of this might be that a carpenter would be asked to weld. This perspective is unfounded and does not reflect the actual reality of what happens in the workplace. The first point to note is, why would anyone trained as a carpenter or an electrician be asked to perform a task for which they are not trained?

There is in place legislation to deal with such circumstances, should they arise. *The Occupational Health and Safety Act* and *The Apprenticeship and Trade Certification Act* regulate training and workplace standards. The OH & S [occupational health and safety] Act makes it an offence for employees or employers to work in an unsafe environment.

That said, the benefits to wall-to-wall bargaining units are that, unlike traditional building trade unions, employees can be multi-skilled and use those skills on the work site. If a journeyman carpenter has his or her welding papers, they can also be qualified to weld too. The SCA notes that this model has been used in Alberta and British Columbia for many years.

With the traditional trade union model, employees can work only for one union and so cannot work in another area. There are clear benefits to the wall-to-wall model which can provide greater efficiency without in any way compromising workplace safety. This standing committee may well hear comments that safety is compromised in this model and that the tradecraft is compromised. The SCA and its membership do not accept this position. There is no evidence presented that this model compromises workplace safety.

In reflecting on the amendments to the CILRA, the SCA offers the following additional comments and perspective. The central issue for the building trades is the loss of monopoly within the construction trades. Instead of a legislative monopoly, as with the CILRA, should this Bill pass in its current form, there will now be competition for the building trades and greater choice for employees.

The SCA can understand this perspective but urges the building trades to consider the larger picture. No agreements will be nullified. Employees and employers can maintain existing relationships. What is being offered under the legislation is greater choice for employees. This can hardly be criticized.

In summary, the Saskatchewan Construction Association supports Bill 80 in its entirety and we thank the government for bringing this legislation forward and we are confident this will help the industry build its capacity and modernize the construction industry labour relations. Thank you very much, and I certainly would answer any questions that you may have.

The Chair: — Thank you, Mr. Fougere, for your presentation on behalf of Saskatchewan Construction Association. I will now open the floor to questions. Mr. Stewart.

Mr. Stewart: — Thank you, Chair. Mr. Fougere, thank you very much for your presentation. A previous witness told this committee that the abandonment provisions of Bill 80 would be unique within the country. Is this not your experience? I took from your submission that you were saying something very different. Is there a legislation similar to the abandonment provisions in Bill 80 in place in other provinces?

Mr. Fougere: — There is, Mr. Stewart. I know that in Alberta that it is legislated. In other areas, provinces such as Ontario, it's part of their policy and practice of the Labour Relations Board. It is, in our research and our understanding, a standard recognition of a principle before the Labour Relations Board. And what I understand this will do, will enshrine that so that we don't have the issue with respect to Saunders Electric as an example where the uncertainty rests with both employees and employers.

Mr. Stewart: — Thank you, Mr. Chair. How common in Canada is the wall-to-wall model that we're discussing?

Mr. Fougere: — In my understanding, it's common in our larger provinces — Ontario, Alberta, and British Columbia principally being the ones that have wall-to-wall.

And I know that there are other unions that would like to be involved and are supporting this Bill, and that's CEP, the Communications, Energy and Paperworkers Union, which is also a wall-to-wall union, that fully supports the Bill before us. They understand that they will open up an opportunity for both employees and employers.

Mr. Stewart: — Thank you, Mr. Chair. A final question: is your association aware of how many CLAC members live in this province who cannot work under the banner of their own union in this province?

Mr. Fougere: — I don't have a firm number, but I know there are several hundred that are members of that association that work in other provinces because they cannot work here under the existing legislation.

And that is part of what we see as a capacity issue for our province. At the highest level, we're looking to have the workers to do the work that needs to be done. And we all know, and I gave you those numbers earlier, of the lack of skilled trades we have here that's a constraint to growth. This is, as a high-level policy objective, is to bring more workers in and more companies in to do the work. So to me this is a laudable objective.

The Chair: — Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. My first question is, was your organization consulted prior to the introduction of this legislation?

Mr. Fougere: — We have been asking for a number of years for changes on abandonment. We were not consulted on the actual Bill itself. Like anyone else, we were there the day before the legislation was brought in. There was a meeting that took place the morning of I believe, but we were not consulted on this. We made representations for years about opening up the industry and asking for changes that are in the Bill, but the actual Bill itself, we were not consulted on it, no.

Mr. Yates: — Thank you very much. My next question is and my understanding of this — and I'd like very, very clear, as precise as you can in your answer — that the retroactive portion of the abandonment clause does not exist anywhere else in Canada — the fact that the application could be retroactive perhaps many years in the past.

Mr. Fougere: — I won't say I know precisely whether any province has that but the principle of abandonment is important. And the case that I raised is an important element here for a company that effectively had an abandoned agreement. Now there's an order that they must comply, must pay back union dues, would bankrupt the company. This has to be fixed. It must be fixed certainly for employers and investors to come into this province to understand that the rules are clear and fair and reasonable.

To your answer in terms of its retroactivity, I'm not aware of

other provinces, what they have. I do know the important principle of abandonment itself must be recognized in decisions by the Labour Relations Board in the future.

Mr. Yates: — Thank you very much. And my next question is, was this issue about abandonment ever brought to the table of the employers, building trades union, and government, the common table that was there to deal with problems in the industry? Was this issue of abandonment ever brought there?

Mr. Fougere: — I don't sit at that table. I've never sat at that table. The tables I've sat at we have raised this with the government for some time to address the issue.

Mr. Yates: — So it was never taken to the Construction Panel itself in order to look at some resolution to the problem.

Mr. Fougere: — The Construction Panel, to be fair to that group, is just going through a metamorphosis of what its role is. And I'm now Co-Chair of that panel so I'm intimately aware of what its roles and responsibilities are. It did not have the capacity to do that work. It could have done that. That's not something that we as an association, my board and my membership, wanted me to do. It was directly with government to make those changes. That's one avenue. I certainly admit that's certainly an avenue for discussion, no question.

Mr. Yates: — So clearly there are other ways that these issues could have been dealt with, that there was no attempt to deal with them.

Mr. Fougere: — Mr. Chairman, there are always several ways to skin a cat. There's always several ways to debate issues. But the assertion that this was a surprise, our industry, both union and non-union, have talked about these issues with the government for some time — the need to act for clarity and certainty in the industry.

[11:45]

Mr. Yates: — Thank you very much. My next question has to do with, by your own statistics here, 19 per cent of the industry is unionized; 81 per cent isn't. Is this type of legislation necessary? And I'm not just talking about the abandonment issue, but this is legislation that fundamentally changes a number of things in our province. And are you aware of any situation where any of the building trades unions would have denied membership to a member of CLAC if they had applied?

Mr. Fougere: — My understanding, under the current system, I guess if someone who was with CLAC wanted to join you, they probably could do that. But that would mean that CLAC as a legitimate union could not be active in this province. And the workers that are in Saskatchewan that are now forced to work outside the province, they're not in the province. So that's a constraint to growth. The highest level of what we support is any system that will provide the greatest capacity to provide more employees to do our work in infrastructure, to build our hospitals and schools, and also to attract those contractors who have the right to be unionized and have CLAC as their union, to be in this province. We feel that that is fair and legitimate.

Whether they can be part of the building trades, I think is a

separate issue. I think that the right to have another union in any . . . even CEP to be in here, why not CEP in here to do the same thing? That just builds capacity, and I think everyone benefits from that. In my understanding this is not going to force a new system on anyone. The existing relationships will remain the same. This is about employee choice at its very essence that drives this. And if the employees choose current relationships, so be it. If they choose something else, which is their democratic right to make a change, so be it as well.

The Chair: — Mr. Yates, if I can interrupt, we have three speakers are waiting. And if I can just remind guests to either put their phones on vibrate or turn them off. We can't fine guests here, but the members do get fined for that sort of activity. I'll recognize Mr. LeClerc next.

Mr. LeClerc: — Just two quick questions for clarification for me. In the abandonment issue, I presume that the other provinces have this legislation already so therefore there is no need to make it retroactive. We're the province that hasn't had it for a long period of time, or never had it, and therefore the retroactive piece is just to catch us up with the rest of the country.

Mr. Fougere: — That's a reasonable comment to make. I mean certainly in Alberta they have legislation that's clear on what those rules are. The decisions by the Ontario Labour Relations Board, or the policy and practice, there would be no need for their legislation to be retroactive at all. So your point is well taken.

Mr. LeClerc: — The second point of clarification, do I take it that the way it is now, we're actually stopping — we're anti-union — we're stopping unions from coming into this province and giving exclusivity to particular unions that are already here?

Mr. Fougere: — That would be a good comment. We hear that a lot from within the private sector, that the monopoly of the building trades does prevent other unions from coming in, other contractors from coming in. It's a constraint to growth. It is unfair. Now I know there's references made in some literature I've seen from the government that there's some issues of fairness and whether this can be challenged at all in court. And that's a perspective for a different time. But we believe very strongly that this is a, you know, a monopoly for one group at the exclusion of others, and that inherently is unfair.

Mr. LeClerc: — Now you may not know this, but has there been feedback from current union members, members of the current union that underneath the table, not to be blackballed or put at risk with intimidation, that would welcome the choice of additional unions within our province that they had a choice to join?

Mr. Fougere: — Well I can't answer that in a formalized way that we ask everyone, but certainly the people that we speak to — because we did wide consultation to come up with our position with both union and non-union — that the consensus is they welcome this change.

Mr. LeClerc: — Thank you.

The Chair: — Mr. Iwanchuk.

Mr. Iwanchuk: — Okay, thank you. Thank you very much for your presentation. I found it very interesting. You mentioned, and I want to get to the abandonment, but just on the first comments in terms of comparison in other provinces, I'd just like to make a statement to say that in terms of trying to compare the different systems, some of us have found it difficult to do that. So when you say in terms of . . . But first if I could talk about just the employment of people. I think we're all in favour of that.

And I have found over the years that it's, in fact, it's the economics that drives that more so than we're trying to make here, that's somehow preventing people from coming here. Now again if that is that, I think we should have had discussions about that.

But I was just wondering if you, because you mention that you have checked in other provinces and in terms of the systems that they have there because in terms of . . . because people have said, well it's only here in Saskatchewan. But then obviously perhaps we have the best system. So I mean, what work did you do to deal with issues like stability, for example? What issues did you deal with in terms of worker shortages in those other provinces to make the statements that you did in terms of saying, well you know, we have to change that here in Saskatchewan because either we're the only ones where it doesn't work here. So I was just kind of interested in that.

Mr. Fougere: — Well I think I understand your questions. Hopefully if I'm not, please clarify for me. I mean, in terms of what we have done as an association to deal with shortages, no surprise that members on this side, when you were government, we talked a lot about apprenticeship and training. That is the biggest issue for us is the labour shortage, the critical labour shortage that we face. And we talked a lot about training and apprenticeship and more seats, more expansion of SIAST [Saskatchewan Institute of Applied Science and Technology] and regional colleges to actually have the capacity to train people. That's been our biggest priority.

We have a unique circumstance in this country. We are bucking the trend in so many ways — in so many positive ways compared to the rest of Canada and North America — where we're growing. And our growth in the building trades, our growth in the industry, is incredible. So we've dealt with that.

We look at what other provinces are doing. We see Ontario, where they're going backwards. We were there for two trade shows to talk about attracting people into our province, our association. I went there to do that. It was so critical. We went to Calgary to do the same thing. We'll be doing other things in the future to ensure that we can do that.

But we know that we have a unique circumstance that seems to be chronic now. It's been for a number of years where we need to have more employees to drive our economy here. We simply need to have that. Nothing gets done until it gets built. We don't have the hospital, that \$200 million hospital in Saskatoon. We're going to build it. We have to have the workers to do that. We need to build the capacity.

So again we say, while you can't compare labour environments, construction industry environments absolutely across the country, there are many common elements that makes you come to some pretty easy conclusions.

How do we attract more people to this province? How do we bring more contractors in the province?

It appears to those on the outside, it appears to us in the industry, that there's a monopoly on who can represent you if you decide to be unionized — as is your right, and we support that. But we fully support a unionized work environment, no problems, as long as it's done fairly and openly. That's great. We need to open that up.

There's nothing wrong with competition. Competition brings out the best in everyone. So we could talk about the building trades not having to compete with other, like CEP, for workers. There's nothing wrong with that. That provides excellence insofar as they choose to be unionized. Non-unionized, the same thing. But we need to open this up to provide greater growth.

My perspective of my board and my membership is that we tend to have in this province a view that we have limited resources to do everything. We're unlimited in what we can do here. We have an incredible province that can do things. I think we should open it up and provide greater opportunity. I do not see this as a revolutionary change to the environment. I see it as an option in the future that can happen, that could build greater capacity.

Current relationships will not be denied. There's nothing in the legislation that I saw would change anything today — not at all. So when I compare it to other provinces, I say, we have unique circumstances where we have an opportunity to put another tool in the tool box, if you will, to provide for greater capacity to build our province both by companies and by employees, to give those employees choice, should they have it.

Those people in Saskatchewan who live and work in Alberta who want to come to back, they can't come back. Now maybe they can join one of the existing unions to allow that, but that's not their choice. They may have another viewpoint, so why do we allow them the choice, a democratic choice? If they choose to join building trades, that's fine. If they choose to join CEP to come in, that's fine. If it's CLAC, that's fine. What it does is it has more workers living in our province, paying more taxes. Those companies end up . . . [inaudible] . . . paying corporate taxes. That will build our province and build our capacity. I can't see this as a problem, I really cannot. It is not revolutionary, it's evolutionary. I'm not sure if I answered your question . . .

Mr. Iwanchuk: — Well partially. I was just talking about the economics because I guess, and I don't want to be argumentative, but I just sort of end this and get to my second question. But I guess I could make the proposition to you then, Alberta has gone and is losing workers because of the construction industry legislation that they have there. You know, I guess what I was trying to get at, to make the statements that are being made, one way or the other, and you mentioned that you had looked at other provinces. You know,

you look at stability and you look at the workforce as well. Alberta workforce is going down. Would it be fair to say then that it's bad legislation and therefore they should change their legislation in order to keep their workers? And I would say that a lot of this is economically driven. And I understand what you're saying, that somehow this has to open this up, but the issues I was after was any specific things that you had seen in terms of stability as you went across the country and did comparisons — you said that.

My final question is just around this abandonment because what my understanding, or at least when we heard from the previous presenters, were that there are in the court cases, abandonment has been dealt with. There are points that have been made around abandonment, so if you present a case there are maybe five points or whatever that you have to deal with, and if that, your case falls under there. And you raise an interesting case here. And I mean there are going to be cases that go back and forth on that. But in terms of the abandonment, because you mentioned, well this is enshrined in other legislation, again what have you done in terms of the research to see if in fact what's enshrined is not in fact what the courts have said in Saskatchewan?

And secondly, perhaps there's agreement on that, and what we are enshrining is in fact something that might make it more difficult or make it easier to, as we've heard, shed collective agreements. Because I think at the end of the day, we all want more workers in Saskatchewan. We all want, for those people that choose to be in unions, that it be fair and balanced and . . . But this issue of abandonment, which you have said, well we don't have that. But we have the courts and we have numerous precedent cases, and I would say to you that the courts probably prevent certain things once they have established.

So I'm interested to know, in terms of your association and the research that they . . . I mean, you could provide this for us in terms of the comparisons across the country, that say we are worse or whatever — it depends; I guess it's an interpretation — that did not follow a sort of a standardized abandonment policy across the country. Whether or not it's legislated or not, because many times we have legislation and we don't . . . But the courts are there. Let's not forget that the courts allow and disallow certain things over a number of precedents have been set.

So I guess my question on both of those is your research, because you are making statements, well we're unique or we did this, and in terms of comparisons, I found it hard to actually compare because the systems are so different. So it would be interesting to see research on that.

The Chair: — Mr. Iwanchuk, could you get to your question. We're running out of time and we have one more questioner.

Mr. Iwanchuk: — Sure. I guess the research, because there's some statements being made that this is across Canada and they've looked at that, and we're so unique, and I guess I want just to know about that.

Mr. Fougere: — I hope you'll take my comment in the openness that it's intended. I hope that you will ask the same, have the same burden of questions to other delegations about

their research as well, to be fair. But I want to go to your point really quickly. I know there's not much time here.

You talked about Alberta. They're losing workers and what's happening . . . Maybe they should change the legislation. Their economy is going right down. They've had some significant drop in employment and their economic growth has been negative for a couple of years, so they're seeing a huge problem.

Their economy is different than ours. We contribute to union agreements or not . . . I wouldn't do that. I think it's much more complex than that. So I wouldn't make a comment that because of higher unemployment that they should look at their labour laws. I think that's a jump that I wouldn't want to go to initially. I'd be careful on that one.

With respect to abandonment and the points that you made, we wouldn't have had the Saunders case if this was clearly entrenched in either policy or legislation in this province. We wouldn't have this issue brought up here. That clearly was a decision that was extreme, both to the company and to the employees. This makes it clear. And we can do it by a policy change with a board activity, or you can do it by legislation so that everyone knows clearly what is happening, what are the principles here. And we prefer that because it's clarity as opposed to a policy.

Now Ontario . . . You asked me for research; I'm telling you the research that I've done. Ontario has more in their policy and practice, but I've seen some of the court cases, I've read those court cases, and the principle of abandonment is clearly entrenched in activity. How they make a decision, I'm not going to go on their veracity, accuracy, or truthfulness of any particular decision, but it's clearly within their decision making. And they hold that . . . We have not done that. To the extent that it's clear for the construction industry, haven't done that. To the extent that it's clear to for the construction industry, haven't done that.

The Chair: — Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair. Mr. Fougere, you state that 81 per cent of the construction industry is non-unionized and 19 per cent is unionized. The previous presenter said that, however, if you look at the industrial sector of the construction industry, those numbers are reversed. Would that be a fair assessment of . . .

Mr. Fougere: — I'll take his numbers on that one, certainly. I'm just giving you the overall . . .

Mr. Hart: — Sure, and that's fine. My question deals with work done at large industrial sites on shutdowns such as the shutdown at the upgrader and the refinery here in Regina or perhaps a coal-fired SaskPower plant. Would you have any numbers to give us as to what percentage of the contractors on those jobs would be unionized versus non-unionized?

Mr. Fougere: — I couldn't give you an accurate number, but I could get that.

Mr. Hart: — Would you think that the ratio would be the same

as for the industrial sector of the construction industry? Would it be in that . . .

Mr. Fougere: — It might be, but in the example you gave, I think that that is a unionized environment.

Mr. Hart: — It's all unionized in those? Okay. Okay.

Mr. Fougere: — But I can't give you numbers on that.

Mr. Hart: — I have had it brought to my attention that, you know, it was a very high percentage of contractors were unionized on those critical shutdowns. It's your association's . . . Is that not correct? You're shaking your head.

Mr. Fougere: — No, I'm just listening to you.

Mr. Hart: — Oh, okay. Sorry. It's your association's position that Bill 80 will enhance the number of tradespeople that will be able to work in this province and that sort of thing. You don't see any negative impacts in those critical shutdowns from your viewpoint?

Mr. Fougere: — No, certainly not.

Mr. Hart: — Thank you.

The Chair: — Thank you, Mr. Fougere. Seeing as the hour's . . .

Ms. Junor: — Mr. Chair, Mr. Chair, I have just one more question quickly.

The Chair: — Ms. Junor.

Ms. Junor: — Further to Mr. Iwanchuk's questions about your research, is there any ability for you to supply to the committee anything on some of the points you made? And I'm just quickly going through about workplace safety, wages and benefits, compensation packages, and perhaps the legislation that your organization could supply to the committee to inform our discussions. Could you supply any of that background?

Mr. Fougere: — Sure. I hope that you'll ask the same questions of other delegations in fairness. I certainly can do that.

The Chair: — Thank you, Ms. Junor. Again, Mr. Fougere, thank you for your presentation on behalf of the Saskatchewan Construction Association. And being after 12 o'clock, we will have a recess until 1 o'clock sharp where we will reconvene.

Mr. Fougere: — I just want to say thank you very much for the opportunity.

The Chair: — Thank you, Mr. Fougere.

[The committee recessed for a period of time.]

The Chair: — It's now one minute after 1 o'clock. We'll resume our consideration of Bill 80, the construction labour relations amendment Act, 2009. Again any presenters that have brought along submissions, please give them to the Clerk for

distribution to members so they can tabled with our committee. And again a reminder that these proceedings can be watched online at legassembly.sk.ca/committees/ and as well all records can be viewed on that website as well.

I welcome our next presenter, the Saskatchewan Chamber of Commerce, and I'll just remind presenters that we have 30 minutes allotted for each presenter — 20 minutes for presentation, 10 minutes for Q & A. And I will give you five minutes warning at the 15-minute point before we get to the 20-minute point. And just to give your name for the purposes of Hansard and the knowledge of the committee, please.

Presenter: Saskatchewan Chamber of Commerce

Mr. Thomarar: — My name is Alan Thomarar. I'm the Chair of the human resources committee of the Saskatchewan Chamber of Commerce.

The Chair: — Thank you. Just go ahead with your presentation, please.

Mr. Thomarar: — Thank you very much, Mr. Chair, and panel members. I just want to bring some background. These issues were vetted at our most recent annual general meeting in Swift Current. The Saskatchewan Chamber of Commerce congratulates the provincial government for the introduction of Bill 80, *The Construction Industry Labour Relations Amendment Act*, on March 10, 2009. The chamber is pleased that this Bill enhances competitiveness, balance, and fairness, and does not take away any existing rights of workers, unions, or employers.

At issue, Bill 80 addresses two of the chamber's key selected issues that were addressed at our annual general meeting in Swift Current — the issue of abandonment and the issue of alternative union option for wall-to-wall representation in large projects. The amendments when passed will enhance competitiveness while at the same time allow employees more options for selecting the union that represents them best in construction projects.

Recommended that the Government of Saskatchewan immediately commence the consultation process — which you have; thank you — in order that it may proceed with timely passage of this legislation and enact Bill 80 to clarify the issue of abandonment and to enable the alternate union option in construction.

The Saskatchewan Chamber of Commerce continues to promote fairness and competitiveness for employers and employees in the province. The chamber supports the province's goals of growth and investment, and chamber members realize that labour legislation, more importantly employment legislation, can play a significant role in attracting investment needed to continue and sustain growth.

While Bill 80 addresses some immediate concerns within the construction industry — abandonment and the alternate union option for employers and employees — this is only part of the legislative regime that the Saskatchewan chamber believes needs to be addressed to make Saskatchewan a leader in streamlining employment legislation.

Bill 80 with respect to specific background detail, if the construction industry is to operate more openly, fairly, and effectively, this consultation process should indicate the specific concerns with operating under current labour laws. And the government should be able to deal with those specific items raised at the end of the consultation process.

The proposed amendments may require fine tuning, and other amendments may be in order. It is important to understand that no rights are taken away from employees or unions under the proposed amendments. Construction industry operated without an Act from 1983 to 1992 and without major labour disruptions. That Act was changed by the previous government.

Both unionized employers and employees require more rights. Fundamental problems with the Act include, but are not limited to, employer rights to change bargaining agents and only one choice for employees to select who will represent them if they wish to be unionized. The competitive work environment should determine rates of pay and other conditions of employment within the construction industry.

The Saskatchewan Chamber of Commerce believes that the streamlining of employment-related legislation and regulation into one overarching Saskatchewan employment code will make it easier for employers as well as employees and their representatives to understand and reference employment-related questions, in addition to making it simpler to resolve differences.

I spoke earlier of the need to address all employment-related legislation in the province, and to that end the following resolutions were presented and passed at the Chamber of Commerce annual general meeting at Swift Current as I spoke of earlier, and these are in the process of being taken to the ministry for consideration. I've actually presented copies of the three resolutions that were passed: one being the Saskatchewan employment code; the second being the matter of forum shopping which has been an issue for some time with the Chamber of Commerce; and the third being anti-harassment legislation.

On abandonment, if I may, the Saskatchewan Labour Relations Board has recently issued an order — Seibel, LRB 019-05, issued September 23, 2008 — which stated there cannot be abandonment in the construction industry.

This issue reverses over 50 years of cases in the construction industry. The union was advised of the employer's argument of abandonment and took no action for six years, and then applied for certification, itself providing objective evidence of abandonment. The board decision means that union dues are owed for the period from 1984 to 2008.

It's recommended that the government follow the examples of Alberta and Ontario by recognizing in legislation the principle of abandonment in the labour relations regime in Saskatchewan.

There is no concept in the current legislation or *The Trade Union Act* dealing with the legal concept of abandonment that has been recognized by other labour boards for over 60 years. The unions are saying the labour boards have no power to accept the concept, and this is confirmed in the Saunders case

cited. This concept should be defined so as to eliminate the union's right to reclaim business that they have left alone for over 15 years. The proposed changes to the legislation allow the Labour Relations Board to make that determination.

With respect to alternate union provision, there is a need for the option of wall-to-wall representation for large projects in construction. The current Act restricts representation to the 16 named trades. The current provisions of the CILRA restrict competitiveness, and in the circumstance where there is a slowdown in one particular area of a large project, then workers have to be laid off rather than assigned to do other work they are capable of performing, until there is a need for their particular skill or certification. It is recommended that the government amend the CILRA similar to legislation provisions in BC, Alberta, Manitoba, and Ontario, which allows for wall-to-wall representation as an alternate option to the current 16 named trades representation.

If a business now becomes a unionized contractor by certification, existing collective agreements automatically apply to that contractor without the contractor having the ability to bargain. If that contractor has a benefit plan, that benefit plan is automatically ended and the plan under the collective agreement applies. All wages, working conditions, fees required to be paid to unions and CLR, and other monetary items apply to these projects, regardless of the fact that these costs were not built into the bids for this work. The bargaining representative, CLR, who receives the money, was selected by the government, and the business has no right to change that agent even if they have no confidence in the agent.

Proposed changes, once made to those sections, would not allow these problems to continue to occur. Certified contractors have no ability to bargain their own terms of employment for their employees. They must accept the will of the majority in the bargaining trade division, even if the majority does not do the same kind of work but is in the same trade division.

The problem is that the definition of sectors and who is included within the sectors is too broad. Within each sector, the trade divisions are too broad as there are differences in the work and the rates of pay for workers. The legislation combines industrial work with commercial work. Industrial and commercial work are quite a bit different, but if the contractor is certified in the industrial project, he is automatically certified for commercial projects, although the type of work and worker would not be the same.

Employees working for the company do not get a choice of unions but must select only one union if they want to have a union represent them. The Labour Relations Board and government have said that any other organization that regularly represents these workers in other provinces could not represent them in Saskatchewan because of the restrictions in this legislation.

The Central Mills case illustrates this problem. The spinoff section is far too broad as it does not matter whether two businesses are doing different kinds of work within large sectors and trade divisions, they are considered as one unionized contractor. If the contractor has a business where they have carpenters working for them doing regular carpentry work

and wish to create a specialty company that deals with drywall or scaffolding, it is automatically unionized under spinoff legislation because carpenters are required to do drywalling and scaffolding. Although the type of carpenter work is different than the types of business they are operating under is different, the spinoff section would capture both.

Spinoff should be left to the common employer legislation under *The Trade Union Act*. Government must, however, make it apply to only new businesses and not to capture businesses that have operated to today's date.

The present employer's organization was mandated by the NDP [New Democratic Party] legislation in 2000 and cannot be changed by the contractors themselves. From 1994 to 2000, the contractors had attempted to change the agent, but were stalled by the Labour Relations Board in the province and the legislation itself.

The present Act would not be the same as providing ... No matter how much employees dislike union, they cannot decertify the union contractors under this legislation are in that position.

And that's our background and basically in short summary, we would hope that the proposed Bill 80, *The Construction Industry Labour Relations Amendment Act* could see swift passage.

The Chair: — Thank you, Mr. Thomarat. We'll open the floor for questions now. This short presentation very detailed, but leaves ample time for questioning. So we'll start with Mr. LeClerc.

Mr. LeClerc: — Thank you for your presentation. I have a couple of questions. And please bear with my naïveté around this particular area as I search out some of the accurate information, because as you're well aware, it seems that there's diverse opinions and information coming forward depending on who's pro and who isn't.

We heard this morning that there was no labour disruption from 1983 to now, but we weren't told that the Act was changed in 2002, and it was only from 1983 to '92 without major labour disruptions, and then the Act was changed by the previous government. Would you be privy to why it was changed, what the changes affected, and what was the difference with the Act previous to the changes?

Mr. Thomarat: — I think — and I'd have to confess to some naïveté here as well — some of my work specific to that file is post those dates. I think essentially where it's suggested that there were no labour disruptions, I think that that's primarily a function of contractors realizing that they had to work within the law and lobby through the Chamber of Commerce, which they have done religiously year in and year out to try to get changes to the Act that were more amenable to investment attraction and to basically an environment where there was more productivity on job sites, and that they were able to move more swiftly through the build cycle of projects that they were involved in.

So really the practice of trying to encourage labour disruptions

was not anything that the contractors would consider. It was their view that they would work with the Saskatchewan Construction Association, the Saskatchewan Chamber of Commerce and others to try to seek changes to the Act which we see now.

Mr. LeClerc: — Thank you. In the abandonment piece to the Act, would it be fair to say that it would put the company out of business, and that there's a legitimate concern to make this Act retroactive to play catch-up to the rest of the country in terms of . . . Because what you're describing here in this particular company, in that they took no actions for six years and now they want union dues from '84 to 2008, well that's an awful long period of time. That's 24 years. And from my understanding that would bankrupt Saunders Electric, which is why . . . and that there may be other companies that will be facing the same type of situation. So would it be fair to say that the retroactive piece of it is to make the field a fair playing field?

Mr. Thomarar: — Well I think absolutely, I think there's a very large concern with respect to Saskatchewan at this time. We have real capacity concern around capacity building, and that requires investment on a large scale from contractors that have resisted in participating in the Saskatchewan economy heretofore.

We firmly believe that this decision, the decision of the fall is contrary to precedents set in other provinces, and not just with tax climate but with labour climate too and that whole labour environment. We need to remain competitive with other provinces. We particularly need in Saskatchewan to build capacity, to attract investment. And it's the investment that we attract that will create the jobs.

And we feel that this kind of a decision is totally counterproductive to seeing the growth of small business, which is really the engine of Saskatchewan, and to see the growth of employment which is critical to our future right now with all of the very, very viable investment intentions we're seeing expressed through Enterprise Saskatchewan in the range of \$100 billion. That requires a huge amount of employment and that investment must be there. This kind of decision will chase that investment away. It must be reversed.

[13:15]

Mr. LeClerc: — Thank you. And the third and final question I have: in the alternative union provision of wall-to-wall representation, the current Act restricts to 16 named trades, so I have an A and B to this question. The A is, do you have any idea of why they picked those 16? What qualified just 16 instead of 15 or 18 or 22 that would be named as named trades to be represented by union? That's point A.

And point B for this: you're saying that the amendments that are being asked for at this particular time under the CILRA are provisions that are already listed in British Columbia, Alberta, Manitoba, and Ontario. And I would therefore presume that in order to be competitive with our neighbouring provinces economically and with business, and to attract businesses to our province, that if we don't adopt some similar type of labour legislation that will, I guess, partner or at least present a

rationale why businesses would want to locate in our province — as opposed to Alberta, BC [British Columbia], Manitoba, or Ontario that have this — that by not doing so would be a decisive business disadvantage, economic disadvantage, for our province and the folk.

Mr. Thomarar: — I think again, sir, we point to investment attraction and what appear to be deterrents to investment attraction. With respect to your first question though, I think, probably that's more appropriately posited to the union in question and why they would limit it to 16 trades. But with respect to us, understanding the competitive nature of this labour market that we're working within and the mobility of labour which is very clear, we've seen this. We've recently been the beneficiary of labour market mobility, but that's not often been the case.

And I think to encourage the growth in our economy and to encourage the investment intentions that I've mentioned have been expressed in the mining sector and in other sectors within this province, we need to make sure that we are, at the very least, competitive with our neighbouring provinces. And you identified the provinces that have similar legislation that deals with alternate union provisions. I think its choice for employees too is not bad.

Mr. LeClerc: — Thank you.

The Chair: — Mr. Iwanchuk.

Mr. Iwanchuk: — Yes, thank you very much for the presentation. You mentioned in there the difficulty with decertification — I'm not sure if I heard that correctly — or that whole concept that the unions couldn't decertify or employees couldn't decertify. Do you recall, you were talking about abilities of contracts, of people having to accept, employers having to, contractors having to accept contracts if there was a . . .

Mr. Thomarar: — These are specific within the Act, and I apologize that I don't have it with me, but we cite that more often than not attempts to decertify are much more difficult to see as being successful than those for certification. Rarely have we seen any speedy decertifications.

Mr. Iwanchuk: — My question more so was we had the existing labour legislation, as we've gone over in terms of the years that it has been here. And for myself, I'm still . . . to hear an argument for . . . Alberta is obviously going to somewhat of a decline with their employees or with their economy in terms of layoffs and that, and Saskatchewan is in fact going the other way. And we've heard numerous things in our economy here this morning already.

I guess what I haven't heard is that since this labour legislation brought us the boom, which I think we all in 2007 and 2008 . . . The facts that in fact this has hampered us or somehow this is hampering us too, because I think we all want to attract workers, we want to attract investment because I think our first presenters from the building trades were saying when the contractors do well and the economy is doing well, we do well and the members do well. So I think we're all, they're onside and you're onside with that, and I would think that we're onside

with that.

But I guess I don't know when you come and you say that wall-to-wall is better because it's going to create more stability, I don't know that when you come and you say some different regime or some different system is going to be better. When you look at what has happened in Saskatchewan, it all happened under the existing laws.

So I guess it's a concern, a bit of a concern when you say, well we want to turn that over now because it's going to be better, and you raise cases. And I think no system is perfect and if that's happening, maybe we should do that. But this is quite an overhaul of the system, and we're saying that this will work better.

And I guess my question is . . . Because you mention Ontario and these different places, what you have there to show that in fact if we put this in because Ontario is not in such great shape right now either. So how do we know, if we were to accept this, that these changes that the government is advocating are going to lead to this?

Because we all want more people to come and work. We do that, and we've been trying in different ways. But how, in this particular case, how does this do this when we have already achieved the boom, gone through 2007, gone through 2008? Are there maybe bigger factors at work here? Or as I said previously, perhaps it's labour law in Alberta that's causing them to do the downturn. You know, just to say these things, I'm just wondering what sort of . . .

Mr. Thomarar: — We are where we are, in spite of the legislation you talk about. We had difficulty delivering housing to markets that needed housing. We have restricted investment; we have restricted contractors from coming to Saskatchewan by that law, by that Act.

And where Alberta was concerned, I don't think you can point to the issue of labour laws as to the cause of their downturn. I think you can point to the price of oil. With respect to Ontario, I think you can point to the auto sector. It's got nothing to do with the labour legislation.

What I see here is that we are not realizing our capacity. We need more capacity building. It's one thing to have booster shots and it's one thing to have stimulus packages, but when you are limited by only the contractors you have in this province, you can only deliver so many road paving jobs at one time. We need to build that capacity. We have a deluge of investment intentions before us around the mining sector, a demand for 6,500 new workers in the labour force within the next six to ten years, not giving full account for pending retirements.

Furthermore, similarly in the construction industry, we're looking at numbers around 4,500 additional workers just to start to deal with the build-out of these projects. And right now what we've got is a system that's choked off by the current legislation. We have gotten here despite the legislation. This legislation is choking our capacity. It is still a deterrent to investment; it is still a deterrent to job growth.

Mr. Iwanchuk: — Okay, just a short comment on that. If we looked at the health care sector — and there's only Saskatchewan Union of Nurses there — and we had shortages of employees there and there were ways of dealing with that. I just point that out.

The other thing in terms of the housing, I think we're all aware, coming from Saskatoon both you and I, of the shortages of lots at the times and the things that the association went to to try and expand that and to correct those issues.

So you know, in terms of doing that, to point it out specifically . . . And I raise the health care sector because it's only the Saskatchewan Union of Nurses. They are not in fact all the trades that we have. And I agree with you. I think there are drivers here like the economy that focus more of that labour mobility and the things that we're trying to address here. And here we are pointing to the construction industry and saying we have to do an overhaul of this because specifically it's doing this. And I just raise this Saskatchewan Union of Nurses kind of thing.

I mean I'm willing to listen to that if I see that. And you've pointed out the abandonment case and okay, fine. But what things my question has been, if Ontario's going down and Alberta's going down, is it just the labour legislation? I agree with you. I mean I might agree with you that it's not just the Alberta legislation, but I think you have to see that it's just not the Saskatchewan legislation.

But in spite of you say that, we are on top in Canada, so in spite of that, I might have some difficulty saying this in spite of that. I might say I'm in favour of that. I think that's why. So I haven't heard the reason, the rationale for that to convince me to say yes.

Mr. Thomarar: — Well first of all when you've got houses that typically take six months to build and you're taking 12 months to build them, that is exacerbating an affordability issue. When you have circumstances where we have limited numbers of contracts . . . And I wonder why the previous government, I wonder why any government would single out the construction industry for such a restrictive Act. I wonder why. I wonder what was the rationale for that.

The issue of Ontario and Alberta is not germane to this debate. This debate is to make our labour laws competitive with other jurisdictions, because when the economy turns around in the rest of North America and in the rest of the country, we are in an uncompetitive advantaged position. We are disadvantaged by the current Act. The Act needs to be amended. Further we think we need to go further. This is a good start. If you were to ask the construction industry directly, we would have liked to have seen this repealed.

I think that there are fair compromises here put forward by this government. But the issue with Ontario is an auto sector issue and it's a manufacturing issue. It's not a labour law issue. The issue with Alberta is a price of oil issue that turned the tap off. That's not a labour law issue. When those economies turn around — and they will — we'd better watch out because we're not ready. And we still are finding it difficult to attract the investment we need to capitalize the projects that are declared

to make sure we're attracting the employment.

Mr. Iwanchuk: — Just one final thing. Is this correct that it's only 21 per cent of the unionized sector is in the home building sector in the commercial?

Mr. Thomarar: — Well it's oversimplifying the circumstance. There are sectors where the home building industry is very dependent on the unionized sector, and that's in what we call deep servicing. So in a lot of areas of land development where you're laying your pipe and doing deep servicing, road building, there are areas of residential construction where we do have union participation in our industry.

But furthermore — and you'll hear this from a presentation that I'll put my other hat on and bring you on behalf of the home building industry — the health of the housing industry is very dependent upon the health of the industrial, commercial, and institutional construction industries as well, so that they are able to build their capacity and move those projects forward is good for the housing industry because it makes for a sustainable housing market.

Mr. Iwanchuk: — Okay. Thank you.

The Chair: — Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. I have a number of questions, but I'd like to start if I could by the issue of investment attraction. I have some difficulty in making a direct connection to investment attraction and any particular piece of legislation, whether there be labour legislation or other legislation, because investment attraction has a lot to do with many, many factors which labour legislation would only be one small part of.

And despite this particular legislation being in place as it is today, we've been quite successful in the last three, four years in significantly increasing our investment attraction. Is it where we like it to be? Not necessarily. But we have had significant growth in investment attraction over, you know, the last at least four years. There's been steady growth. So you know, we're all interested in fixing real problems, things that are really causing concerns.

What particularly about this legislation prevents investment in Saskatchewan? What are outside companies . . . If you can articulate it for me, what are outside companies or what would prevent outside investment capital from coming here that's in this legislation?

Mr. Thomarar: — Well I think, with respect to abandonment, that's pretty clear; I mean, that you could invest in this province and that you could see where in a circumstance of non-representation, that the non-representing body would be allowed to be recertified and then also have access to retroactive collection of dues — in the one case we cite here going back as far as 15 years.

With respect to not allowing other contractors to come here because they deal with different unions — different representative unions, alternate unions, as it's called here — I think we explain in our backgrounder documents. I think that's

just a question of being able to attract the contractors we need to accelerate some of the things we've seen in the stimulus package from this Premier and from the federal government that we still are suffering from a labour shortage here.

I mean, it's one thing to say we've done pretty well; that's a pretty low bar. This province has not seen growth for the better part of the last 20-plus years. In fact, going back to 1971, while Alberta was moving from 1.6 million people to over 3 million people, we didn't move at all. So I think our bar is pretty low.

[13:30]

I think moreover, when you look at the world economy, we have what the world wants. That's recognized now. We have the intellectual capacity. We have the research capacity. We have the innovation. We have the ability. We need the investment capital to move projects forward.

And I find that when . . . And we cannot talk of these things as mutually exclusive from anything else. This is why we say this is a good start. If we had our way, it should be repealed, but we say it's a good start. And we say you need to look at something that is more balanced and more fair and protects the interests of employers and employees alike, and we would see that falling into something, as we call it at the Chamber of Commerce, the Saskatchewan employment code, and deal with other irritants and labour legislation.

But while we, through the previous government — and hats off to them — put ourselves in a very competitive tax position, it doesn't take long for other provinces to wake up and start to move the bar themselves, so we have to keep on moving the bar. We have to recognize where we were number two at one time in personal income tax, we moved to number six. So it isn't just this piece. The whole picnic basket of tax and labour and investment regime must be attractive, must be competitive with the other jurisdictions that we are competing with for labour, for investment, and for trade.

Mr. Yates: — Thank you very much. My next question has to do with we had presentations this morning that said that any company could come to Saskatchewan, they could bring their employees to Saskatchewan, and there was nothing stopping them from doing that. And now I'm hearing that there are issues that would prevent companies from coming here and being able to bring their workforce. Can you identify a specific area that actually . . . or how they're prevented from coming here?

Mr. Thomarar: — I think actually in fairness, to give you the best answer, if you could save that question for my colleague, Michael Fougere, of the Construction Association . . .

Mr. Yates: — He was here this morning.

Mr. Thomarar: — He likely would have answered that.

Mr. Yates: — I didn't get a clear . . .

Mr. Thomarar: — I think our chamber's perspective is not as focused as that of the Saskatchewan Construction Association. They deal more intimately with the problems and the issues of the day. We're really looking at, as our chamber has said quite

often, we want to see this province get to 1.5 million by 2030. We see any of these deterrents to growth and deterrents to investment attraction and the mobility of labour to Saskatchewan as not conducive to getting us to that goal of growing this province and sustaining this province for the long term.

Mr. Yates: — And my final question is, if you have knowledge of this, is the particular abandonment case that's being talked here about Saunders Electric. Were there any unusual anomalies in this particular case, something that isn't sort of apparent? And we've had presentations about this particular case, and I would hope . . .

Mr. Thomarar: — I think the anomaly, in fairness, was the decision. I think the anomaly was the decision, that basically broke 50, 60 years of precedent in such cases, which is respected in all other provinces.

Mr. Yates: — Was that decision appealed to the courts?

Mr. Thomarar: — There are lawyers close to that file. I can't answer that question.

Mr. Yates: — Thank you very much. I was just wondering if there was some unusual thing about this case that isn't apparent in the way it's always being used.

Mr. Thomarar: — I think for us that decision was unusual.

Mr. Yates: — Okay, thank you.

The Chair: — Seeing no more questions, I'd like to thank Mr. Thomarar for his information and his answers to these questions. We will take a very short recess as he will be presenting on behalf of the next association as well, to facilitate any changes in a short break. And then we'll reconvene in five minutes.

[The committee recessed for a period of time.]

The Chair: — Thank you, committee members. It's 1:40. We'll come back from our recess. Again we welcome Mr. Alan Thomarar. He is now representing the Canadian Home Builders Association. As we're all versed on the way the process works, we can just get right into it and allow Mr. Thomarar his 20 minutes. Thank you.

**Presenter: Canadian Home Builders Association,
Saskatchewan**

Mr. Thomarar: — Thank you. Again, I'm Alan Thomarar. I'm the chief executive officer of the Canadian Home Builders Association, Saskatchewan. And I thank you for this time before your panel.

The Canadian Home Builders Association, Saskatchewan along with the regional associations in Saskatoon and Regina have been the voice of the residential construction industry in this province for nearly 60 years. Our association is dedicated to professionalism, consumer protection, affordability and choice in housing, and to ensuring that individuals have the skills and knowledge required to have a rewarding and sustainable career

in the residential construction industry.

The Government of Saskatchewan's Bill 80, *The Construction Industry Labour Relations Amendment Act* will encourage balance and fairness, foster investment attraction, encourage and ensure job growth in Saskatchewan. In encouraging a climate of fairness and maintaining competitiveness in the taxation sector and also in the labour market, the Government of Saskatchewan is committed to a growth agenda in the province by supporting the expansion of infrastructure investments and the attraction of much-needed private sector capital. These investments are critical to the ability of the residential construction industry to provide appropriate and affordable housing in order to meet the housing needs of a growing province for the long term.

Our association maintains that by encouraging investment in infrastructure and attracting investment for industrial, institutional, and commercial construction projects, the province will foster an increase in employment opportunities. In so doing, we will continue to attract more skilled tradespeople to the province to help mitigate the looming impact of inevitable retirements. This will help maintain the quality of life for those working and living in the province. And those who are moving into the province will have employment and sustainable career opportunities, and hence can stay in Saskatchewan to share in this abundance and the bright future in the province of Saskatchewan.

Saskatchewan continues to experience a labour shortage that is expected to worsen with the impending unpreventable retirements. Bill 80 will encourage an increase in construction investment activity and will stimulate job growth in many sectors throughout the province.

Bill 80 will also encourage more competition in the bidding of major projects and promote freedom of choice for employers and employees. As a result, additional and much-needed contractors and workers will be attracted to the province.

The residential construction industry is a major driver of the Saskatchewan economy, maintaining nearly 40,000 direct and indirect quality jobs in the province, building and renovating over 12,000 homes per year, and contributing nearly \$4 billion per year in investment in housing in Saskatchewan. Approximately \$24 million in GST [goods and services tax] and \$20 million in PST [provincial sales tax] are derived by residential construction activity in the province of Saskatchewan, in addition to nearly \$900 million in wages.

It has been inferred that the choice of bargaining unit and a greater number of tradespeople in Saskatchewan would somehow lead to a work environment characterized by poor training, unsafe work conditions, and poor quality of work. We firmly hold that the opposite would be the case. More competition and consumer- and worker-focused business practices would be necessary to foster both consumer confidence and a workplace environment that is inviting to a skilled workforce.

Emphasis on consumer loyalty breeds productivity, quality control, corporate social responsibility, and the goal to be considered — an employer of choice. All employers

represented in the residential construction industry are committed to the concept of a safety charter and full compliance with the safety Act and regulations without exception.

While this legislation is applauded by our industry, and we encourage this government to move this legislation quickly towards passage, we also remind the Government of Saskatchewan this legislation is merely addressing one of the uncompetitive elements of the labour market environment in Saskatchewan. Bill 80 brings Saskatchewan in line with all of the neighbouring Western Canadian provinces, and we encourage the government to be as mindful of our competitive position on labour climate as it has been with respect to the tax climate and competitiveness of Saskatchewan.

Our industry would welcome modernization and balance in *The Labour Standards Act* and other Acts and regulations governing labour relations in the workplaces of Saskatchewan. Nonetheless we applaud the Government of Saskatchewan for the introduction of this long-overdue *Construction Industry Labour Relations Amendment Act*, and we look forward to the passage of this legislation. Thank you very much, Mr. Chair.

The Chair: — Thank you, Mr. Thomarar. We'll now entertain questions. Mr. LeClerc.

Mr. LeClerc: — I have a series of short questions. We heard this morning from one or two of the presenters that — and I heard you earlier — that you had been petitioning the previous government for some time on a change of the legislation and the labour. Has that been actively done by your organization, and if so, for how long?

[13:45]

Mr. Thomarar: — I'd say at the very least we'd go back to 2002 — and in our collaboration with the Saskatchewan Business Council, obviously working in partnership with the Saskatchewan Construction Association, and of course our colleagues at the Saskatchewan Chamber of Commerce — but with respect to this industry, at the very least since 2002.

Mr. LeClerc: — So this is not an all of a sudden, something made up. These problems and concerns haven't just arisen by this government or since this government has taken turn. This has been a long-standing request from a number of players within our construction field, our business field, our chambers of commerce, and home construction people over a period of time that had been requesting these exact changes and according to you, possibly even deeper changes to the Act. Is that so?

Mr. Thomarar: — Absolutely. And our sense is that dating back to 2002, which is where we saw the introduction of the CILRA, that's where we saw provisions that prevented private sector contractors, non-union shops from actually participating in some of the bid processes for particular jobs within the province. It's our sense that what impacts the institutional, commercial, industrial sectors of the construction industry directly impacts the residential construction industry as well. Across the two sectors which are about equally divided — there's roughly about \$4 billion of activity in their sector as well — we do share common trades. We do share common

contractors for specific jobs as well. The ability, as the province is growing, to grow that capacity is critical.

Mr. LeClerc: — Now having said that, this province is stagnated. I think it's for the record and I don't think it's stretching any legitimacy or claim to say that this province is stagnated in population growth for a long period of time, if not actually shrunk. And so with these amendments, for my curiosity, would this begin to grow our population? Would it provide more jobs? Would it result in an increase in a number of out-of-province construction companies and workers coming to the province?

Mr. Thomarar: — I think absolutely, when you look what is the foundation for the fact that the sky is falling, except on Saskatchewan — if you will — is that it's a very strong, resource-based economy. We have a very, very strong knowledge, infrastructure, knowledge-based economy.

We are looking too at significant retirements in the years ahead, probably for the next 10 to 15 years. It is critical to encourage investment attraction. While the retirements are occurring, something happens because people are not leaving Saskatchewan. They're staying in Saskatchewan. They like the quality of life. They are retired, but they're not moving out of their homes, or they're moving into another home that more suits their lifestyle. And we're attracting people at the same time.

We've got to ramp up the activity level of the residential construction industry from levels of around 6 to 8,000 homes per year to levels more in the order of 10 to 12,000 per year to put us at a level, by 2030, of 1.5 million people. And that's at growth rates of roughly 2 per cent. But these are not alarming growth rates. This is fairly modest.

But as you say, we feel the bar has been pretty low, when we go from 1971 for the better part of the next three decades with little or no growth at all — in fact, in many cases, depopulation. That does not give us a situation whereby a tax base is sustainable for the long-term health of the province.

Mr. LeClerc: — I have a couple of abstract questions. And I don't know if you can answer them or not but, if you can, I would appreciate your thought on this.

I've heard from a couple of the presenters that somehow the changes to the current trade labour Act would bring some disadvantages, I guess, to the members of different trades. And I'm trying to figure out, in again my naïveté, why would construction workers be placed at a disadvantage if members of different unions joined in one union? Can you think of any disadvantage presented by that scenario?

In other words, from what I heard this morning was this wall-to-wall union that everybody could come into rather than be siloed into different unions. And so if we had people that came from the welders and the construction and the plumbers and the electricians and joined one particular union and were represented by one group of labour union leaders, rather than, you know, 300 from 17 different unions, would there be a disadvantage for those members of the different unions being represented under one collective union?

Mr. Thomarar: — I can't see that. I can't see where I would find a position to support that. I would think that being a participant in what we're terming the alternate union is something where you would find more opportunities. And I think that's important now and especially the opportunities are here in Saskatchewan.

One of the things we need to do when we're dealing with limitations on capacity and rising costs is we need to move projects forward. And I think that's where looking at attracting more contractors and the alternate union provisions are going to increase productivity, I think it's going to increase opportunities for workers, and I think the provisions that are cited in Bill 80 are about choice for the workers. As we've stated before, there is no case where it can be shown that they're losing any rights at all in Bill 80. I think this is very fair.

Mr. LeClerc: — Thank you. And one last question, and again in my naïveté to try to find some of the rationale why this Act shouldn't be passed, is there, is it my understanding, am I correct in my understanding that this particular labour union Act is specific to the construction section, as opposed to other sectors of our market, in respect to labour relations and bargaining structures? That this is uniquely a scenario both in the, I guess, the structure of the Act itself and that there's only 16 labour unions and as well as the, I guess the certification of it, but also in the one piece of this piece that's going to put out — Saunders Electric. Is this unique to this piece, construction industry?

Mr. Thomarar: — Yes.

Mr. LeClerc: — Okay. So the other unions are not under this type of restriction?

Mr. Thomarar: — Not within this legislation. There's other restrictive legislation in the health sector that I would not know but . . .

Mr. LeClerc: — So is there any reason, can you think of any reason why the construction industry sector has to be differentiated from all of the other sectors in our province under labour regulations?

Mr. Thomarar: — Well certainly it's simple for me to say I can't see any reason whatsoever why we wouldn't want to remain competitive with the other jurisdictions in Western Canada at the very least. But in terms of investment attraction, because it's a global thing, we've got to find our way to be in the most competitive position possible, and I think Bill 80 moves us in that direction. It's a good first step. Remember, we say, it's a good first step.

The Chair: — Thank you very much.

Mr. Yates: — Thank you very much, Mr. Chair. I would like to get some sense of how much of the home building industry would be unionized in the province, including, you know, land development and other aspects to home construction.

Mr. Thomarar: — It's definitely, like, numbers have been expressed in the area of 20 per cent. I feel it's less than that.

Mr. Yates: — Okay. So about 20 per cent in the home building industry. Now you say that what's going on in the industrial side has direct impact on the housing side as far as investment potential. We're hearing a lot of anecdotal evidence that this will make a significant difference in the investment climate in Saskatchewan, attract more companies, and a number of things. If it doesn't have that effect, would you support reversing this at some future date?

Mr. Thomarar: — Well I don't know what would be the point because you still have to maintain your labour market competitiveness along with your tax competitiveness with other jurisdictions. Expressions of interest which are more than expressions of interest — like say for the Yorkton area alone around potash and around seed crushing — indicate that there's an additional 1,000 jobs to come to that market. There are not 1,000 homes to satisfy those 1,000 jobs. What's particularly important here, what we are trying to express is that what happens here when you choke off one part of the economy, it has a multiplying impact on frustrating and causing congestion in other parts of the economy.

And one of the greatest job creators are investments in of course the resource sector in the province of Saskatchewan, in mining, and all of the multiplier impacts from those investments into the rest of the economy. Investments in mining increase the market for housing. Housing increases opportunities for the retail sector, for the furniture sector, for all of the different parts of the economy — the banking sector, the finance sector.

When you start to look at the multiplier impacts of \$100 billion of investment and look at its impact on housing and then the resultant multiplier impact from the investments in housing, this is huge for the province of Saskatchewan and huge to create the momentum we need to carry us forward and really sustain growth.

Mr. Yates: — Thank you very much. I don't disagree with those comments at all. My concern is that one of the things that's being advocated here is that this will make a difference in the number of companies that will move to Saskatchewan. It will attract employees. It will do a number of different things. If it doesn't end up doing that, then is it the solution, I guess, is what my question would be. Or will all those things happen regardless of or despite this change?

Mr. Thomarar: — I think I need to point again to the fact that we've had an Act that's been in place that's actually caused congestion in the construction industry. It's actually been the cause of basically diminishing affordability around the housing sector. We've been able to see growth in the economy despite an Act that was not conducive to growth in the economy.

But I've also said — and I think you probably heard from others — that this by itself is not enough, that we need to look at other pieces of labour legislation and regulation throughout the province of Saskatchewan. We need to continue to be vigilant around tax policy and the tax climate as well.

In all of those areas of the economy that cause us to fall behind in this very, very competitive global economy, as indicated before, we will in North America, we will around the world sooner rather than later — and especially for Saskatchewan —

come away from this recession. And there is going to be a need to make sure that we have the people and the investment capital to be able to take advantage of the markets.

As we know with China and India, I mean their growth is slowed to 3 per cent. It's slowed to 4 per cent. They're going to lead the world. They want what we've got. We've got to be ready to deliver and this is only one piece of the issue around maintaining competitiveness in our economy and in the global market.

Mr. Yates: — Thank you.

The Chair: — Thank you, Mr. Yates. Mr. Iwanchuk.

Mr. Iwanchuk: — Just a question around the new Act as proposed. Has your organization looked in that it might provide a distinct advantage to outside contractors now in terms of there are things in the Act that are saying this only applies to the existing contractors? And now, if we open the doors to new contractors and the bidding and if the existing contractors have their contracts, have you looked at whether that might provide a distinct advantage for people outside of Saskatchewan?

Mr. Thomarar: — Well I think it's important to remember that there are contractors that were native to Saskatchewan — PCL, etc. — that don't have their head offices in Saskatchewan any more. Like there are contractors who want to return to Saskatchewan now because we're proposing that there is going to be labour market competitiveness, there's going to be a tax climate that's competitive. I don't think as business communities that support free and fair markets that we're opposed to other contractors coming to this province.

We've said that we need to see more investment. We need more contractors to satisfy the roughly two and a half billion dollars. I recall, if I add up all of the investments from this provincial government around infrastructure, we don't have the capacity right now to deliver.

We need to attract the investment. We need to attract the contractors. And we need to attract the labour force to satisfy those demands on building up our infrastructure. So I don't see a concern. I really don't see a concern.

[14:00]

Mr. Iwanchuk: — Maybe I wasn't clear. My question was, have you looked at whether the Bill itself will offer, in terms bidding, an advantage to outside contractors?

Mr. Thomarar: — We don't see that.

Mr. Iwanchuk: — You don't see that.

Mr. Thomarar: — No. Not at all.

Mr. Iwanchuk: — Okay. I'll just read something for you in terms of . . . Because I guess, somewhat at the heart of this is, because there have been statements made that in fact this will prevent or that the Act prevents companies as it exists from coming and yet we've heard . . . I'll just read you a bit.

In fact, there's nothing to prevent a company from coming to Saskatchewan and nothing to prevent them from bringing their workers with them. In fact, any company outside Saskatchewan could bid on and win a contract in Saskatchewan and could then bring in or hire as many workers as they want in Saskatchewan.

So I don't . . . Do you see? Is that a false statement under the existing Act? Because you seem to be saying that right now . . . I mean, we've heard that . . .

Mr. Thomarar: — I don't know where the statement comes from.

Mr. Iwanchuk: — Well it's from a presenter earlier on.

Mr. Thomarar: — Yes. Well I don't know the context. I don't want to comment on a sentence out of context.

Mr. Iwanchuk: — Well let me put it to you this way, because the statements have been made and we have to, as a committee, deal with this. The statements have been made that, in fact, the present Act prevented people from coming here, that it's very restrictive.

Mr. Thomarar: — It was a deterrent.

Mr. Iwanchuk: — A deterrent.

Mr. Thomarar: — It was a deterrent.

Mr. Iwanchuk: — Maybe that's where I'm stuck on, deterrent and not understanding the meaning. I mean I sort of got the impression that people were prevented from coming to Saskatchewan. Is that a fair statement or . . .

Mr. Thomarar: — It's a deterrent to investment and people were prevented from bringing their workforces here. Absolutely, yes.

Mr. Iwanchuk: — Okay. And you said, prevented from bringing their workforces here. And I guess that's what I'm trying to say, is somebody has just told us in a written brief that in fact outside companies can come here and there's nothing to prevent them. Whether or not we look at a person deciding, I don't want to go into Saskatchewan, but once that . . . Because there's two statements there. I don't want to go to Saskatchewan but I'm prevented from going to Saskatchewan. So I'm just trying to clear that up because I think you said they're prevented from.

Mr. Thomarar: — I'm not really sure where you're going with your question. I don't know what's . . .

Mr. Iwanchuk: — Well the question is, are people from outside — companies, contractors outside of Saskatchewan — prevented from coming here under the existing legislation?

Mr. Thomarar: — This is a Bill that is more specific and we've taken . . . I'm bringing you the position with respect to the Home Builders' Association, the residential construction industry, that we need to encourage momentum in the economy and *The Construction Industry Labour Relations Act* did not do

that. It actually was a deterrent to investment attraction and a deterrent to labour market mobility, and we find that to be detrimental to the residential construction industry. In terms of the experience of commercial, institutional, or industrial contractors, as I say, my colleague that spoke to you before is probably better versed to speak to those issues.

Mr. Iwanchuk: — Okay. That clarifies it for me because you were talking about deterrents, but not saying that it in fact prevents, if I heard you correctly. You're not saying it prevents. It might not encourage, in your opinion; the present Act does not encourage investment. The present Act might act as a deterrent, but in the technical sense of preventing somebody from coming here, it doesn't do that.

Mr. Thamarat: — It prevented alternate unions.

Mr. Iwanchuk: — I'm sorry.

Mr. Thamarat: — It prevented alternate unions.

Mr. Iwanchuk: — Okay. And that could very well be the case. I'm not sure. I'm just saying that people have come here and are saying that this prevents other outside contractors from coming here. And that's in fact, it could deter in making business decisions and all the rest of that. You might have as an opinion that this is not good for the economy. Those are fair statements to make. We might ask you to back that up with research, but the issue that it does not prevent, so in fact this is a correct statement. People, contractors, could come here. It does not prevent them. They might choose not to, but the Act itself doesn't prevent.

Mr. Thamarat: — The workers that they would engage were restricted to the representation that they were allowed to have. So if you want to say prevent and I want to say deter, I think it's a little bit of semantics. I think very certainly that they were restricted to the labour market climate that they would have to participate in. That doesn't exist in any other province.

Mr. Iwanchuk: — Okay. Thank you.

The Chair: — Ms. Junor.

Ms. Junor: — What I've seen so far in the presentations, the presenters have admittedly, by their own admission, have had no experience whatsoever with unions other than anecdotally, and the main theme of the presentations appears to be competitiveness. For those of us who have experienced both working in a unionized and non-unionized workplace, the issues are more diverse. The workers' benefits are high priority. The workers' wages are high priority, and workplace site or place standards are high priority.

This definite difference in approach and focus I think begs for leadership in a more collaborative, mutually beneficial process so that we can both meet the needs of our economy and of our workforce, neither of which can flourish or function independently. And I know that you have mentioned that more competition and consumer- and worker-focused business practices would be necessary to foster, so it appears to me that you are saying the marketplace-driven approach will bring up the wages, bring up the standards, or maintain the standards at

least. And I haven't a question. What I have is actually . . . I'd like to know if that's accurate and your comment on that — that the marketplace will drive the wages, the benefits, and the standards.

Mr. Thamarat: — Well I think very certainly the marketplace does. I mean there's a demand for labour, and if you want to be the industry or the business that's attracting that labour, you need to be competitive. You need to have attractive compensation packages. You need to consider corporate social responsibility. You need to strive to be an employer of choice.

We for our part in the residential construction industry participate, actually collaborate, in partnership with the Apprenticeship and Trade Certification Commission, and we operate and manage three offices of the joint training, that are called joint training committees, to deliver apprenticeship training throughout our industry.

We are advocates for professionalism, certified trades, and the Red Seal journeyman program. We are certainly advocates and have pressed and have finally now succeeded, after trying since 2004, to have what will be recognized as a residential construction safety division within the Saskatchewan Construction Safety Association.

I think consumer expectations as it pertains to quality and customer service place demands on business, and those businesses that want to stay alive and want to sustain their operations for the long term need to respond to customer expectations. So yes, I very much feel that the market itself and consumer expectations will drive businesses to a higher level of productivity and higher levels of customer service.

Ms. Junor: — Further to that, not necessarily will competitiveness mean better economic advantage for workers. If to be competitive you need to cut your costs, not necessarily will that benefit the working person.

So if to be competitive is our only objective, I think we do run the risk of having the bottom line or profit being the driver in our society which . . . I can see the customer service approach. I can see the businesses wanting to make sure the customer gets the best service, as long as we don't assume that the customer wants the cheapest service and that becomes our goal alone. And that is what we assume will make us competitive, is the lowest price. There has to be a package of what you offer the customer, not just the lowest price.

Mr. Thamarat: — I think what you're expressing is actually counter to the experience in the residential construction industry. You've had to be very, very competitive with the very, very hot markets in Alberta in order to try to basically steal away trades and framers and carpenters and electricians and plumbers and pipefitters from those markets, and we moved very, very quickly over the period from 2006 to 2008 in the ranges of 30 to 40 per cent increases in compensation. Many of our employers and contractors are looking more and more all the time to make sure that there's a quality-of-life component — it's not just about the money — that as being employers of choice and with corporate social responsibility, that we do very much adhere to what you're speaking to.

I don't think you come to higher levels like ... Competitiveness, when we talk about competitiveness, we're talking about labour market competitiveness that would not deter someone from coming to live in Saskatchewan, our tax competitiveness that would not deter someone to come here because we've got the highest personal income tax or the highest corporate capital tax. That does not necessarily mean it's about a lower wage. It means exactly the opposite and higher disposable income. Things that this province has done by taking 80,000 people off of the tax rolls are indicative of what we can do for people in a market that needs to make sure that everybody's participating in this economy.

I don't think any industry here wants to see a situation where all people in Saskatchewan cannot participate, and that's First Nations peoples, all our communities, new Canadians, that we want everybody to participate in the prosperity. And this is expressed by the chamber of commerce and all of our industries, including the Home Builders' Association.

We advocate, always have had, for consumer protection. We advocate for mandatory warranty on houses. We advocate for things that actually require more investment, more quality. That's a higher skilled tradesperson. That's more engineering. That's more scientific, innovative, energy-efficient housing, respecting environmental stewardship. So we're not talking about having people who are going to be general labourers making less than minimum wage. We're talking about skilled trades. We're advocates for education and professionalism, and we want to see everybody participating in the prosperity in this economy.

Ms. Junor: — Just one last comment. I'm happy to hear that because you may have heard that our party also has advocated for everyone to share in the provincial prosperity. So I'm happy to hear that we're onside with that. Thank you very much, Mr. Chair.

The Chair: — Thank you, Ms. Junor. Mr. Stewart.

Mr. Stewart: — Thank you, Mr. Chair. Mr. Thomarar, thank you for your very clear presentation. And further to your badgering by Mr. Iwanchuk, have you had any experience with companies like Ledcor, who are affiliated with CLAC for instance, who cannot do business in Saskatchewan with CLAC? Do you have knowledge of situations like that and particularly that one?

Mr. Thomarar: — Absolutely. Not direct to our industry experiences but certainly with respect ... And I was formerly employed with the provincial government certainly back in and around 2002 when this Act first came to pass, and that my experiences in partnerships within the Construction Sector Council — Mr. Fougere and I co-chair there — and those experiences were shared. So absolutely I am familiar with those circumstances.

Mr. Stewart: — And so if Ledcor cannot come and work in Saskatchewan with CLAC, clearly without a change in the legislation, so I guess what Mr. Iwanchuk must be saying to you is it's perfectly legitimate and possible for Ledcor to change all of their union affiliations in order to come to Saskatchewan to compete for work in a very uncertain environment for them.

And I assume that's what he means by that there is no restriction on any company to come here. But for all practical purposes, no company is likely to do that, in my view. I'm wondering if you would concur with that conclusion.

Mr. Thomarar: — Well I think absolutely. I mean I think what is key and paramount in the expression that I offered with respect to the chamber of commerce position, I'm sure heard by the representative from the Saskatchewan Construction Association, that it's important that Bill 80 is recognized in that it does not take away any existing rights of workers, unions, or employers. It does not at all.

Mr. Stewart: — Thank you. That's all I have.

The Chair: — Mr. Iwanchuk.

Mr. Iwanchuk: — Just a couple of points. I mentioned the unionization rate in your sector is 20 per cent. But might it be 2 per cent?

Mr. Thomarar: — Well I said that I felt that because there was someone here expressed that it was 20 or 21, and I felt that it was definitely not 20 per cent.

Mr. Iwanchuk: — I was just asking, is it closer to 2 per cent?

Mr. Thomarar: — If you want to take sectors of our construction industry, you can, even residential construction. There are multi-family builders that are building through part 9 of the building code, that is what is called small buildings — residential and small buildings. That's everything under four storeys. But then we do have residential construction builders that are building concrete structures over four storeys, that typically they are using, for some of the trades, they are using union shops.

So you know, it's not as precise as one might think. There are many contractors that are both doing commercial and residential, and they have a union or a non-union environment. It's really not black and white.

Mr. Iwanchuk: — Okay. So I guess, because my second question, just to clarify that ... Because I was actually going to see the line where it is, you know, where you're speaking on behalf of the residential. Or do you draw lines so that if you were asked questions of how many unionized workers you have or would you ... Is that a fair question?

Or for that matter, because we talked about apprenticeships and how many apprenticeships are in there, because you mentioned apprenticeships, do you keep track of that sort of thing within your association?

[14:15]

Mr. Thomarar: — I don't know that apprenticeship has anything to do with union.

Mr. Iwanchuk: — Well no, and it doesn't. I'm just saying ...

Mr. Thomarar: — And I don't know that whether or not we are unionized has anything to do with the fact that what we've

expressed is that the residential construction industry is detrimentally affected by restrictions on any other industry. Because one thing about the residential construction industry, when any industry does well and sees growth and employment in their sectors, that is good for the housing industry.

And we are encouraging that we need to make sure that we enable the mining sector, the agri-food processing sector, other sectors within our economy to meet their fullest potential so that they can attract employment, they can sustain employment, that they can basically create the economy that is healthy for the residential construction industry.

So I am here in support of the Saskatchewan Construction Association. I'm here in support of the contractors that want to see changes here that are good for the whole economy in Saskatchewan. I don't really think it's relevant how many people are in the union or not in the residential construction industry. What we are talking about is a macro level discussion about the impacts of smothering one industry, one sector of the economy, and what it does and how it negatively impacts on many, many other sectors of the economy. Maybe that wasn't intended when this was brought in, but that's been the impact. It's basically seen a stagnation in our economy.

Mr. Iwanchuk: — Well maybe you didn't understand. Does your association track the number of apprenticeships that you have within your . . . Do you track that even?

Mr. Thomarar: — Well it's tracked by the apprenticeship commission.

Mr. Iwanchuk: — Okay. So they would say, if I was to contact them, they could say within the residential home builders there are this many apprenticeships . . .

Mr. Thomarar: — I don't think they could say that one bit, because we have our major builders that do commercial building and they do residential building. North Ridge and North Prairie do commercial building; they do residential building. The apprentice moves from house to the office building. So I don't . . .

Mr. Iwanchuk: — And then the other question was just to try and determine this, the impact of the legislation that would impact . . . And I understand you've said how overall it impacts. But I was just wondering directly, the numbers of either union members, or if there's any sort of figure that you can give us in that area where this would immediately — the legislation like this — would impact on you directly as legislation, not what it does to the economy in your opinion.

Mr. Thomarar: — I really don't understand the question.

Mr. Iwanchuk: — Well the question is, is how many union members would or how many contractors are unionized and therefore keep track of that in terms of the number of people working who would be union members?

Mr. Thomarar: — That's information that HRSDC [Human Resources and Skills Development Canada] and their labour markets information group would have.

Mr. Iwanchuk: — Okay. Okay. Thank you very much.

The Chair: — Thank you, Mr. Iwanchuk. I recognize Mr. LeClerc. We'll have one more set of questions and then we will recess for the next presenters.

Mr. LeClerc: — Well I only have one question, and I need some clarification on this. I am taking it, having no prior history in this, that the labour Act that we're now talking about, Bill 80, either changing or impacting or enhancing, that there was an Act that was changed by the previous government in the year 2002 that, in your opinion as well as others' opinions, stagnated our economy, adversely affected the construction industry by its implement in the year 2002, and that prior to that, there was less disruption to the economy, less impediment in the economy growth, and that in this Act of 2002, it created a number of problems and enhanced problems. Is that my understanding?

Mr. Thomarar: — Absolutely. And I think the sense is too that, you know, I don't think what was measured was that it impacted more than just what would be seen as direct impacts to commercial, institutional, and industrial construction. It had far-reaching impacts into other sectors of the economy by the fact that it did deter investments, and it did prevent a lot of projects from moving forward, a lot of opportunities from being realized.

Mr. LeClerc: — Thank you very much.

The Chair: — Thank you, Mr. Thomarar, for the extended time of question and answer. We really appreciate that. If it's an agreement of the committee, our next presenters are here. We could take a short 10-minute recess to facilitate the switch and for a health break and we could be reconvened in 10 minutes. Is it the wishes of the committee, 10 minutes? Okay, we will recess for 10 minutes and be back here at 2:30.

[The committee recessed for a period of time.]

The Chair: — Thank you, committee. We'll reconvene as it's 2:30. Again, just to cover the reasons we're here, we're here for consideration of Bill 80, *The Construction Industry Labour Relations Amendment Act, 2009*. Presenters have brought along submissions and are submitting them to the Clerk, so committee members do have those tabled. And a reminder to the general public: they can view the written submissions on legassembly.sk.ca/committees/ as they are public record when they become tabled.

Just to let the presenters know that the process we are following is a 30-minute presentation — 20 minutes for the presentation, 10 minutes for question and answer. I'll give you a five-minute warning if needed before the end of your presentation portion. And with that I'd just like to welcome the group, Merit Contractors Association of Saskatchewan, and ask them to introduce themselves for the purposes of Hansard and for committee members.

[14:30]

Presenter: Merit Contractors Association of Saskatchewan

Ms. Low: — Good afternoon, committee members. My name is

Karen Low and I'm the executive director of Merit Contractors. Also with us today, Drew Tiefenbach is our vice-chairman of the board, Harley Friesen is our chairman of the board of Merit, and Hilda Szabo is the outgoing executive director of Merit.

The Chair: — Thank you. If you just continue with your presentation.

Ms. Low: — Thank you. First of all, thank you for the opportunity to present the views of Merit Contractors Association on Bill 80. I'd like to provide you with a bit of a background on who we are and who we represent.

Merit Contractors is an association of Saskatchewan construction companies. We focus on the human resource needs of contractors. As such we provide employers and employees with an excellent benefit plan, training, tuition refund programs, and assistance in the placement of fieldworkers.

Merit and our member companies represent a significant sector, a large workforce, and an industry that's vital to the economic well-being of our province. In fact today approximately 80 per cent of the construction companies in our province are open shop. Merit's operations are based on a core belief in freedom of choice and democracy, therefore we believe that Bill 80 is a positive initiative because it expands freedom of choice for construction employees and employers.

We appreciate the opportunity to make this presentation today. We will outline why the construction sector is important to the Saskatchewan economy, why *The Construction Industry Labour Relations Amendment Act* is important, how Bill 80 delivers important changes, and the positive outcomes we expect to accompany the passing of Bill 80.

Today's construction sector in Saskatchewan is one of our province's key economic drivers. Rather than merely following the activity of primary industries as some service sectors do, construction has become a source of economic wealth creation for the entire province. Several measurements tell us this.

First, the number of Saskatchewan people employed in construction has reached an all-time high. In 2000, there were just under 24,000 employed in the construction sector. Nine years later, as of May 2009, that number has reached almost 39,000. This 63 per cent increase is an indication of the importance of the industry to the province.

Additionally in 2000, 4.7 per cent of the provincial workforce earned a living in the construction industry. As of May 2009, that figure reached 7 per cent. Again that clearly shows the growing importance of the construction industry to our economy.

But the economic impact doesn't end there. Using multiplier factors ranging from one to two per direct job, we can estimate the total impact of the provincial construction sector to be in the range of 75,000 to 100,000 jobs. It's not surprising that more and more people are working in construction.

Two factors are at play here. First, there's more available work. The value of new capital investment in construction has risen from 4.5 billion in 2000 to over 9.8 billion as of the end of this

past year. It more than doubled in less than a decade, and there's every indication it can continue under the right circumstances.

The second key factor is wage levels. Across eight general employment categories as reported by the Saskatchewan bureau of statistics, the average weekly wage in the construction sector is third. This is a significant reason the sector has been able to attract new personnel from inside and outside of Saskatchewan.

This recent and very notable upturn in the provincial construction picture is welcome news to everyone in Saskatchewan, but it hasn't always been that way. In 1992 the Government of Saskatchewan amended labour legislation, leading to a reduction of employer rights and employee choices. They did so with no industry consultation.

The Construction Labour Relations Association of Saskatchewan was established by the provincial government as the exclusive bargaining agent for unionized contractors in 16 trade divisions. There are differing views on whether that may or may not have been a reasonable solution at the time. There were, however, issues that clearly concerned much of the construction industry, not the least of which was that CLR was a virtual monopoly. The question as to whether the legislated structure was valid under the Charter of Rights was seriously debated but the new system was implemented, even with the certainty that it would restrict employee and employer choices and even with the potential for it to drag the construction industry to a crawl. In hindsight, it proved to be heavy-handed legislation with negative side effects. But that era has passed.

At one point in history, approximately 80 per cent of construction companies in Saskatchewan were unionized. Today the reverse is true. Whereas monopoly structures were once viewed as having the capacity to protect, in today's fast-paced environment they're seen as restraints.

One area in which such restraint continues to exist is with union abandonment. The umbrella of uncertainty that hangs over companies is not uncommon in our industry. Many companies have had union agreements in place in the past but the union has not been active on behalf of employees for many years. The mere fact that the agreement can be brought back into the picture after years of inactivity creates uncertainty for companies. This situation causes them to hold back on some of the expansion they might otherwise pursue.

What the province and our industry need today are new rules for a new, vibrant economy. The Bill 80 initiative has the capacity to attract new workers, new residents, new projects, and new economic activity. Accomplishing that will go a considerable distance in avoiding the economic downturn that's occurring almost everywhere else in the world today.

Saskatchewan likely has at present the most vibrant economy in North America. This is our chance to capture and retain it. In the midst of global economic pressure, Saskatchewan is succeeding because it has the resources the world wants. As a result, building and construction continue. Building permits remain strong in all categories — residential, industrial, commercial, and institutional. Infrastructure projects are under way across the province. The list of upcoming projects for

Saskatchewan is unparalleled almost anywhere in North America.

With this opportunity sitting in front of us, it's an appropriate time to ask a few questions. Does anyone in Saskatchewan want to see these infrastructure projects delayed? Does anyone in Saskatchewan want to see new job-creating capital projects put on hold due to a shortage of qualified contractors? Does anyone in Saskatchewan want to see a cap on the growth of our construction capacity?

There are billions of dollars of investments in projects, infrastructure, and amenities planned over the next few years. Our challenge will be to ensure the resources are available to construct these on time and on budget. Bill 80 addresses this issue.

A recent report from the construction sector council indicates that employment in the construction sector will increase by 7 per cent in each of 2009 and 2010. That will continue with an expected peak in demand by 2014. It's imperative the framework be put in place now to help draw more people to work in construction. Our industry needs the increased capacity. The province needs more companies and employees to increase the tax base, and taxpayers need competition for projects to ensure the best possible value. That means that archaic, rigid monopolies must give way to a system that's fair and flexible. Bill 80 addresses this issue.

The focus of this review process is the proposed changes to the CILRA. However the usual pattern is for those who oppose change to deliver strong opinion on other non-related topics. We would hope the Standing Committee on Human Services will deal with these issues appropriately.

One such non-related issue concerns safety. This will undoubtedly be raised by a few alongside the assertion that only union environments are safe working environments. This is clearly untrue. This is an industry that's constantly focused on safety. Safety training and a safety focus show up everywhere day in and day out. This is provided through many sources, including occupational health and safety, safety inspections by government regulators, safety programs provided by companies, and through our own industry's construction safety association.

Some of the commentary will imply that union work sites are safer than others. This allegation denigrates the integrity of government officials and companies who are committed to safety in all work sites. It deserves no credence whatsoever.

Similarly the issue of wages in union and non-union environments is also tossed into the conversation. Anyone who lives and works in Saskatchewan understands that the market for skilled, qualified employees has driven salaries and wages upward. The union versus non-union wage argument is a complete red herring. This is an industry in which people make a very good living and are provided with an excellent benefit package. There is constant upward pressure on wages because of the shortage of skilled labour, but that's a function of a strong provincial economy.

Similarly the claim that the apprenticeship training process will

be disrupted is yet another unsubstantiated comment meant to derail this discussion. Apprenticeship is the responsibility of the Apprenticeship and Trade Certification Commission. Bill 80 will in no way compromise the quality of training for apprentices or the integrity of the system itself.

Finally the entire issue of union versus non-union is facetious at best. Bill 80 is not about changing the capacity to certify or decertify. It does not contemplate shifting that playing field. Merit hopes the deliberations of the review panel will be allowed to remain on target with a full and healthy discussion about the actual content of this proposed legislation.

We've talked briefly about what Bill 80 does not address and some of the rhetoric that will undoubtedly be raised during the consultation process. Now let's focus on what we see as the real issues surrounding Bill 80. First of all, Bill 80 will provide freedom of choice for employees. Current regulations dictate which unions employees may join and excludes all other choices. It's difficult to understand how this restrictive approach fits with the current employment market.

Additionally the current system divides the labour force among craft jurisdictional boundaries. Who's served by this model? It certainly isn't the employees who might want to cross over into other trades. This system restricts anyone who might want to move into a different field of work. It also restricts unionized employees who might feel that another union would better suit their interests. This current system is hardly consistent with democratic and fair process.

Freedom of choice means that employees can join the union they feel best represents their interests. That includes the freedom to continue with the current system if they see fit. Why should an act of legislation take away that freedom of choice? There's simply no logical explanation aside from the fact that this is the way things have been done in the past. Bill 80 addresses that fundamental issue.

Bill 80 provides freedom of choice to employers as well. The current legislative model is out of date and restrictive. It completely diminishes freedom of choice for employers just as it does for employees. In what other industry are employers forced to belong to only one employer association or forced to bargain collective agreements through only one employer association? The answer is none. Freedom of choice means employers should be able to enter into agreements with other employer representative groups if the current association is not serving their needs. To restrict employer choice in this area is totally unwarranted. Bill 80 addresses this fundamental issue.

Bill 80 also deals with the union abandonment issue in a manner that's reasonable and rational. It also brings Saskatchewan's legislative environment into line with other provinces. The abandonment issue is significant. Under the current system, historical labour agreements can be brought back to the table after several years of inactivity. The threat of that type of disruption is significant. In many situations, companies had union agreements in place decades ago, but the employees had not been represented by the union for many years. Recent judgments, such as the Saunders Electric case, place undue financial penalties on companies.

It's completely unreasonable that any company, union, or organization should be able to ignore their constituents for years, sometimes for decades, and then turn around and demand back pay. In no other arena is there such a latitude for neglecting duties on one hand and then having a legislated mechanism for collecting fees for work not done on the other hand.

The Bill 80 clause that places a three-year limitation on enforcement of labour agreements when a union has abandoned its responsibility is a reasonable compromise. Bill 80 is worthy of support because it addresses this issue.

Bill 80 is a measured, responsible step headed in a reasonable direction. It reflects today's economic environment. Members of the review panel will undoubtedly be warned it represents everything from the destruction of the labour relations environment to the end of civilization as we know it. Such is the nature of the process in the accompanying statements designed to capture attention and headlines. Unfortunately, creating more heat than light does not solve the issues at hand.

Merit Contractors Association firmly believes Bill 80 is worthy of support for several reasons. First of all, Bill 80 replaces an archaic, rigid process with a democratic and flexible framework. Bill 80 replaces monopolies with fair and open competition. Bill 80 significantly expands freedom of choice to both employers and employees. And Bill 80 is focused on removing yesterday's restrictive, overbearing legislation in favour of a framework that looks at the broader picture and creates expanded opportunities.

But the positive impact of Bill 80 goes even further. It supports economic growth in Saskatchewan. It has the ability to create increased competition, and in the process attract new companies, new workers, and new residents to our province.

Saskatchewan people clearly want services, amenities, and employment opportunities sooner rather than later. We can only achieve that if we ensure the construction industry continues to grow.

The best path to the expansion of the sector is to ensure the industry is fundamentally competitive. Bill 80 will be positive for the provincial economy and our people by building on freedom of choice at a time when our opportunities have never been greater. Merit Contractors Association is completely supportive of Bill 80. We firmly believe the time for this constructive change is now. Thank you, sir.

The Chair: — Thank you very much for that presentation, Ms. Low.

We will now entertain questions from the committee. I recognize Mr. LeClerc.

[14:45]

Mr. LeClerc: — Thank you for your most excellent presentation. It has great clarity. I have a number of short questions, and again there has been . . . [inaudible] . . . to this and some of the earlier presentations about what you referred to as red herrings and certainly the scare tactics.

I'd like to . . . Having very little experience in this, so I've kind of approached this without a lot of knowledge base, hoping that to have in the presentations over four days, a balanced review of this legislation and prior legislation. And I approached it that way, so that I could be fair about it and hear both sides of the argument.

And so I, having placed myself in that position, also have very little knowledge of the beginning of this legislation in 1992, the current one that we wish to look at with Bill 80. Now it was my understanding that the previous government came into power in 1991, so in 1992 they put this piece of legislation into play. And in this piece of legislation it's becoming very clear to me that it's become a monopoly of 16 unions that control the whole union piece around construction, and that all other unions are excluded, no matter what they are. And they may be viable other unions dealing with the same trades even in a silo.

What was the piece before 1992? Why did this replace it? Do you know, or what was the changes that have brought in this restriction as you speak about, in that? Could you give me some quick education on the prior legislation before 1992?

Ms. Szabo: — Before 1992?

Mr. LeClerc: — Well this Act came into play in 1992, and some of the problems that have been referred to by the presentations are dealing with this piece since 1992, or another piece that was put into play I think in 2004.

So I'm trying to understand why this legislation was put into place in the first place: what was its goal and what problems was it correcting, because it seems to have created far more problems than — we're dealing with them now today — than they solved. So could you give me some history on that?

Ms. Szabo: — In 1992 the environment in the construction industry was very different. As Karen said in her presentation, then there was approximately 80 per cent unionized companies, and prior to 1992 there were lots of strikes and there was troubles in negotiating union agreements. And at that time perhaps this legislation was appropriate because it did allow for one organization to negotiate the union agreements for all the union companies. And our economy was not as dynamic as it is now.

So I'm not saying that the legislation at that time was a bad thing, but now with our booming economy, with unionized companies representing in the area of 20 per cent, this legislation now is restricting. So we're looking forward to changes to keep up with the economy.

The biggest problem that the construction industry has right now is skilled labour. A lot of the contractors are having problems completing jobs, and as all the new projects are going to be rolling out, we're going to have even more problems completing the jobs with the labour that is available.

There are many companies from outside Saskatchewan that would like to return to Saskatchewan. Many of them left after the 1992 legislation. They want to return to Saskatchewan, but they're a little bit reluctant to do so because of the current legislation. Once Bill 80 loosens things up a little bit they will

be returning, and then we will have the manpower to do the work that is coming out. But right now it's a real concern as to whether or not these projects will be able to be completed on time, just because of the shortage of skilled labour.

Mr. LeClerc: — Thank you. That gives me some context to the previous Bill.

Some of the things that we've been warned about as a committee is that safety practices will be negated with this change of choice of union. And I'm not sure how that will happen personally because, I mean, you have the choice to join whatever union you want. If one union isn't doing well with safety practices, then you go to the other union. Maybe I'm just explaining it simplistic.

The other piece is the wages. I mean it would seem to me — again in supply and demand, if we have a lack of skilled workers — that wages will not go down with more freedom of choice of unions and a better union who takes care of their workers a little better or pays more attention or is more aggressive in getting contracts for their . . . The wages will continue to go up. Am I wrong? Is there a danger — any way, shape, or form — about safety factors going down, or again somehow that the wages will bottom out?

Mr. Friesen: — No, there isn't. Certainly safety is a top priority at every company these days and, as we said, 80 per cent of the present construction industry is non-union; 20 per cent is. Bill 80 isn't going to change any of that. It gives people options, and it gives, I guess, everybody out there a chance to choose. And that's what's important. Right now we don't have that chance.

Safety's a top priority in all companies, and it's really the companies that promote safety and create a culture of safety in their company. And are some better than others? Absolutely. But, you know, union and non-union companies work side by side in the safety association, Saskatchewan Construction Safety Association. They're all on the boards together to promote safety, working together for safety.

So safety, like I said, it's a red herring. If non-union was a problem, why is it a problem now? It's not. You know, there's people working for safety. Everybody takes their hat off at the table, and let's do what's safe for the industry and promote safety.

The wages, yes. You know, the wages are driven by the economy. But, you know, the wages, whether it's union or non-union — and it varies a little bit from trade to trade — but in some cases non-union is higher than the going union rate. In other cases it's down. But, you know, they're all within a couple dollars of each other and you're talking 25 or \$35 an hour. You're talking good wages. I mean it's all good wages across the board.

So will wages go down? Absolutely not, because the present supply is demanding higher wages. And we see that over the last few years, the wages going up right across the board annually if not bi-annually in many companies.

Mr. LeClerc: — So with the approximate workforce divided

80/20 depending on what trade — obviously in industry and some of the other specific trades, there may be an 80 per cent unionized factor, in some areas there may be a 5 or 10 per cent — but say a 20 per cent average across the board, which is some of the figures that we've been given with, that means we have 80 per cent who are not unionized or don't belong to a union. And they're working. Their safety is well. Their wages are obviously competitive.

So under this piece of legislation we're not really doing anything that will impact their safety or their wage earning. What we're doing is allowing the opportunity for more unions to come into the province, where people still have the choice to not to belong to any union — the 80 per cent — or to continue to join the same union they were in or leave that union and join a new union. So we're only talking about — if I'm correct — freedom of choice.

Mr. Friesen: — That's what we're promoting, freedom of choice. Merit Contractors is very strong on that. Freedom of the choice; we're open shop. And you get freedom of choice whether you want to be a member of a union or not, which union you want to represent you. If your union is not doing a job for you, perhaps you want a different union that is. You know it's like any business. If you're doing your job right, you'll have people knocking on your door wanting you to do work for them. You know, if the union's doing their job right, they'll probably have people knocking on the door wanting to join them.

Mr. LeClerc: — So is it my given understanding that if you're a welder, for instance, and you belong to the welders' union, your choice at this point in this province is either to continue with that union or be non-unionized?

Mr. Friesen: — That's correct.

Mr. LeClerc: — And this piece of legislation will give a third option, possibly join a new union that's coming in from out of province?

Mr. Friesen: — That is correct.

Mr. LeClerc: — My last question is around the abandonment issue. Shortly after I became elected, this was brought to my attention by a number of group of people, associations, and individual people, including some of the employees of this company that — Saunders Electric — that were terrified they were going to lose their job because the back dues to, I think, 1984 or something. Fifteen years of due would have bankrupted the province. I've also lately found out that we do have companies that don't want to come into this province because they're afraid of that restriction somehow.

My understanding of this, and please correct me if I'm wrong, that all this does in Bill 80 is introduce a three-year moratorium on a union to be able to declare abandonment, that there is a three-year period — in other words that a union can come in and certify — and if they have no activity among their workers, they don't do anything for their workers, they bring no contracts up, no contentions up. They have a three-year time period, and then after that three-year time period of inactivity their claims to be a certified union in that company is abandoned. Am I correct

in assuming that? Is it that simple?

Mr. Friesen: — It's not that simple. You still have to apply to the labour board to be certified.

Mr. LeClerc: — Okay, but once you've done that, so you go in, you get the votership, the membership, you become certified under the regulations of certifying a union. And in the case of Saunders, they did that. But then they did nothing further since 1984. And now they've come back and they said, well even though all of the employees are different, we want presence at the table, and we want all these back dues and everything else.

My understanding again, once you go through the process, it's not stopping the process of certification. You're not stopping the process of creating a union or asking the employees to become part of a union, falling within the labour mandate of what it means to be unionized and the specific pieces that you need in order to be certified in terms of vote numbers and secret ballots. But the only real big piece to this, the abandonment issue, is that there is now a time period, a moratorium period, that you can't extend this beyond three years without being active. Otherwise, you're decertified.

Ms. Szabo: — Actually, the Saunders case, Saunders Electric was started by Don Saunders Sr. And Don Saunders Sr. retired in the early '80s. His son, Don Saunders Jr., started up a new company but used the same name for his company. And he was never certified, like his new company was never certified, and the union didn't represent them in any way. There was an attempt to certify the company somewhere in the area of ten years ago, which was unsuccessful.

When this case was taken to the labour board, the labour board decided that he should have to pay union dues for all those years since he started his new company. And he was of the opinion that the union had abandoned their company because they were really in fact never certified, the new company. The old company that his dad had was, yes, but the new company wasn't. So that's the situation there.

My understanding with the legislation is that if a company isn't operating under a union agreement for a period of three years — and correct me if I'm wrong, but that's my understanding of the legislation — if it isn't operating under a union agreement for a period of three years, that that union agreement can be considered to be abandoned. But it just doesn't happen automatically. It still has to go through a labour board decision. It's just that the labour board then will have direction through the legislation as to an appropriate ruling.

[15:00]

Mr. LeClerc: — Thank you very much for your clarity.

The Chair: — Mr. Yates. And then we'll go to Mr. Stewart and then we'll wrap up.

Mr. Yates: — Thank you very much, Mr. Chair. I hope I'll be given the same latitude as the previous member for several questions. The first . . . [inaudible interjection] . . . Fairly long questions.

I'd like first to ask if you could give me some sense of whom Merit contracting represents. Are they large contractors, medium size, small contractors? And if possible, could you provide us a list of the companies you represent? It gives us some sense of who you're speaking for, a little larger than just the paper that says 152 contractors. If you could provide that to us at a later date, that would be very helpful.

Ms. Low: — Merit Contractors was incorporated in 1988, I believe. We represent open shop companies, construction companies based in Saskatchewan. We represent everything from the very large companies such as PCL to the smaller one- and two-man shops. A full listing of our members are on our website. If you would like to access that on the Internet, you can certainly do that.

What else? The main reason that we incorporated in Saskatchewan was to provide a benefit package to our members. So all of the employees that work for members of Merit Contractors are privileged to have a comprehensive, an excellent benefits and very costly benefits package. We also provide additional training to the industry, a tuition refund program, vendor discounts. We have a wide range of benefits that we offer to our members and their employees.

Mr. Yates: — Thank you. So am I correct in what I'm hearing is you're not actually . . . you provide support to contractors. You're not actually an association of contractors.

Ms. Low: — We are. Our members are contractors. Yes, all of our members are construction companies in Saskatchewan.

Mr. Friesen: — Let me add to that. Every member of our association is a contractor, and they may be all the different trades — the general contractors, you know, plumbers, electricians, all the different trades, sheet metal, you name it, we cover. And so all our members are members of the construction association and we're all contractors. We all work in this industry day in and day out. We are members of other associations. Not all of them, but some are members of SCA, some are members of electrical contractors, some are members of the mechanical contractors, etc.

But what we do provide to our members, our commonality is our benefit plan. A lot of our members have pension plans. We do offer a pension plan for them if they want to opt into that. So we're about providing the workers with the benefits that we feel are important. And the contractors that are members of our association feel that's an important factor for our workers to have the benefits. And you know, number one in this industry, it's a good thing to do in today's industry, is to provide those benefits because it helps you attract workers and with the present market.

Mr. Yates: — Thank you very much.

Ms. Szabo: — Can I just add to that. Basically the reason a contractor would join Merit Contractors is for the benefit of his employees. And I've actually seen employers make business decisions based on how it would affect their employees. So they join. They pay the membership dues. The employees are not expected to pay anything for membership dues or anything like that. They get this, all the benefits of Merit membership, from

their companies.

We pay the tuition of any apprentices going to school. We offer a recruitment website for any workers looking for jobs with Merit Contractors. We do all of this for the membership fee that the contractor pays.

Mr. Yates: — Thank you. So you're more of a benefit human resource provider for the industry. Is that . . .

Ms. Szabo: — Yes.

Mr. Yates: — Okay. Thank you. So you'd represent both union and non-union then?

Ms. Szabo: — No. Just open shop.

Mr. Yates: — So totally non-unionized . . .

Ms. Szabo: — The reason that we wouldn't have any unionized contractors in Merit Contractors would be because the unions provide benefits for union employees. Therefore, it would be no benefit for a unionized contractor to join Merit.

Mr. Yates: — Thank you very much. My next question has to do with we've heard anecdotally today from a number of presenters that there are these companies that want to come back to Saskatchewan and they're concerned about the abandonment clauses. Well, the only way the abandonment clauses would apply to any of those contractors if they had been unionized contractors previously in Saskatchewan. So are these previous unionized contractors here — that left, that are looking at coming back — that are concerned with that clause?

Mr. Tiefenbach: — Yes. Some of the companies have left. There are companies that are still in operation here that were able to operate as unionized companies back in the '90s, in the '80s. Their union members quit belonging to the union so they had the choice of working for a shop and working for a union shop and not being a unionized person. That legislation came in, and I'm sorry, I don't know the date.

So there are some companies now in operation in Saskatchewan that are unionized companies, but they're all manned by employees that don't belong to any unions. So they're in essence working under abandonment of the union because the union does no support to those companies right now. Does that answer the question?

Mr. Yates: — Well it does, because we've heard a lot today about the Saunders Electric case. And so during the deliberations today I had the case brought to me so I could look at it myself and look at the legal technicalities of it and all the precedents under law in Saskatchewan. And clearly there is the ability under current law for abandonment to be recognized, and it has been recognized in several cases. And in this particular decision it's not been enforced; it's currently stayed — the decision by the Labour Relations Board.

But I was just trying to get some sense why it was the issue it is around abandonment, and one of the clear legal precedents talked about here is that if somebody hasn't had employees for a number of years but still operated, had the legal company

name and entity in the province, and then came back and had employees, well then the contract would apply. But if in fact they hadn't been, you know, there are different provisions under abandonment. So I was trying to get some sense as to why there would be employers from outside that would be concerned. Their only issue would be if they had been employers here, left, had no employees in Saskatchewan for a number of years, and then were coming back.

Mr. Tiefenbach: — Yes, and I guess my answer to that would be, I guess they wouldn't look forward to coming back, knowing that they're going to have to take and work under that collective agreement or a new collective agreement with that union. They don't have the option of coming back and working open shop, non-union, like the majority of companies are in Saskatchewan. So that would be a deterrent for them to come back.

Mr. Yates: — Okay, thank you very much. It's now clear. A lot of the presentations today haven't been that clear on what the issue was. Thank you very much.

The Chair: — Thank you, Mr. Yates. Mr. Stewart.

Mr. Stewart: — Thank you, Mr. Chair, and thank you for your presentation. I'm hearing that in 1992 when the existing legislation was passed, about 80 per cent of construction companies were unionized and that now it's down around 20 per cent. That seems to me to be a higher rate of de-unionization than any other sector in the province. I'm wondering, does the Merit Contractors Association believe and is it the case that this lack of choice under the 1992 NDP legislation has actually hurt the union movement in the construction industry?

Mr. Friesen: — Well I think what it did was the workers make their choices. I think maybe the legislation at the time was going to try to force some people to be union and the workers didn't let that happen. They said, we don't want to work this way. And I know of some companies who even asked their employees if they want to be unionized and the employees said no, we don't want that. We like the system we have and it's a member companies. We have a benefit plan; we have a pension plan; we have, you know, we have it good. We've got everything we want and we do not want to be part of a union. We don't like the way that situation operates.

And you've got to understand. We're not here to bash the unions. Everybody has a different fit. And what's the fit for you? What's the fit for somebody else? And that's what it's about — freedom of choice. Are there Saskatchewan workers who left Saskatchewan frustrated with our system — and I know there are — want to come back and they want the choice? They'd like to be part of a union but they'd like to be part of a different union. That's their choice. I know some people have trouble understanding that and accepting that but that's what they want. They want to have the opportunity to have choice.

And that's why we support this Bill. It's about freedom of choice and we figure that's a real . . . We strongly feel that's a democratic right of everybody to have that choice. There shouldn't be a monopoly on it. Just like as contractors we shouldn't have a monopoly that, you know, some firm can only

do all this work. That isn't the right way to operate. And so that's what, you know, we certainly support.

The Chair: — Thank you, representatives of the Merit Contractors Association of Saskatchewan. That brings the time for this consultation meeting to an end. Again I'd like to thank you very much for your presentation. And we'll take a short five-minute recess. The next group is ready to present so we'll just facilitate that change and we'll be back on in five minutes.

[The committee recessed for a period of time.]

The Chair: — Thank you, committee. We'll reconvene with the last witness of the day. We have with us the Progressive Contractors Association of Canada. I'd like to welcome them and just to remind them of the process of approximately 30 minutes total presentation time, 20 minutes for presentation and then we'll close with question and answer. And I would ask you just to introduce yourselves for the committee knowledge and for the purposes of Hansard please.

Presenter: Progressive Contractors Association of Canada

Mr. Vanderlaan: — Thank you, Mr. Chairman, committee members. To my left, to your right, is Mr. Danny Daoust, who is president of PCAC [Progressive Contractors Association of Canada]. To my right, your left, is Mr. Bob Cochrane, who's the treasurer of our organization, and to my far right is Mr. Hardy Lange Van Ravenswaay, who is regional director. My name is Co Vanderlaan. I'm the executive director. I understand I was introduced to you this morning but since I wasn't here, I won't comment on that.

Our submission may be a little different than what you've had so far and that is . . . You have it in front of you, I believe. There's an introduction and I won't go through that because I'm sure you can all read that at your leisure in case you feel you can't get to sleep tonight and you have something to do. Our submission starts on page 4 and we'll present with that, and then we have a number of appendices which I will refer to at the end of the presentation.

We thank you for the opportunity to address the issue surrounding the implementation of Bill 80. PCAC represents the interest of some 150 construction companies together employing some 23,000 skilled and certified construction workers throughout Western Canada. Included in this number are over 1,000 skilled construction workers whose home base is Saskatchewan, but who are currently working in Alberta and British Columbia.

Our member companies range in size from over 1,000 employees to as small as five employees. Some are highly skilled and specialize building pipelines across Canada, others focus on mining, still others on building infrastructure, while yet others concentrate exclusively on the industrial construction. A fairly large group of our contractors are highly diversified and are active in all sectors.

None of these construction firms have been able to work in the province of Saskatchewan since 1992. At that time *The Construction Industry Labour Relations Act, 1992* closed down the province to all contractors who employees were not

members of the traditional building trades unions. However, it did more than that. It eliminated the possibility for Saskatchewan-based workers who were members of other unions from working in their own province. It also eliminated the opportunity for a majority of Canada's large pipeline contractors from working in the province, thereby eliminating competition and access to large pools of highly skilled and trained pipeline workers.

We welcome the amendments introduced in Bill 80. We believe than an open society, an open construction industry, brings with it innovation, meaningful competition, and an inclusion of all workers in the construction industry, including minorities.

It further creates an environment where young workers begin to look at the construction industry as career choice. We live in a society where much of our workforce is aging and reaching their retirement years. It is essential that we train our young people to take their place and transfer the older generation skill knowledge to the next generation before they leave the industry.

PCAC member companies are well positioned to help usher Saskatchewan into an environment where competition brings advantages, gives the province a ready access to a huge supply of skilled workers, and enables highly skilled companies to bring their expertise into the province. PCAC contractors have successfully constructed billions of dollars worth of work of oil sands projects with a high record of safety; have completed these projects without work stoppages, without jurisdictional disputes, on time and on budget.

We have built much of the infrastructure in British Columbia leading up to the Olympics and have done so on time and on budget. We are currently building the Gateway project which twins the Port Mann bridge and road system leading into Vancouver, a plus \$3 billion project. Our contractors are constructing the majority of the run-of-the-river hydroelectric projects. We are constructing and running the production of mining of coal, copper, gold, and diamonds in British Columbia and the territories.

We are constructing the majority of pipelines across Western Canada, except in Saskatchewan. We are building much of the ring road, the Anthony Henday, around the city of Edmonton. We are currently constructing Shell's Jackpine oil sands project, and have recently been awarded the majority of the Imperial Oil Kearl Lake oil sands project. This in addition to many, many smaller projects which keep all of our contractors busy in a recessionary economy.

We are successful because we have a co-operative labour relations system that, first and foremost, recognizes that the workplace is a work community, where the interests of all individual workers is of primary importance. It is for this purpose that we have state-of-the-art and highly innovative training centres which we run together with our union partner, CLAC. We have innovative apprenticeship programs and job entry-level programs in partnership with provincial governments and their apprenticeship branches that help young people, and especially visual minorities, to choose construction as a viable career.

By working together, by eliminating jurisdictional disputes and

unnecessary work stoppages, we have built a very competitive construction environment that allows us to build safely, skilfully, on time, and on budget, time and time again. In the past decade, we have moved from doing 2 per cent of the oil sands projects to slightly over 50 per cent today. We have developed construction methods for remote areas. As a result, we have constructed most phases of all of the diamond mines in the territories.

We believe that implementation of Bill 80 will enable workers to return to their home province to work and practise their skills. We further believe that many of our companies who to date have been prohibited from establishing their offices in the province and hire local people are ready and able to train local young people to enter the construction industry.

An open society leads to healthy competition, innovative work methods, and development of a local workforce that is highly trained, highly skilled, and who will build Saskatchewan for generations to come. A closed society leads to young people leaving, closes up opportunities, and stagnates an economy. We commend the government for taking the bold step of making Saskatchewan an open province that brings innovation, becomes inclusive of all who seek to live in Saskatchewan, and develop the resources — both human and natural — that will build a strong province and will build a Saskatchewan advantage that will serve its people for generations to come.

I'd like to talk a little bit about the innovations that we have done with the construction industry, and so I won't read them but I want to just refer you to them. And I start with appendix A which is immediately after our presentation — collective bargaining history with CLAC. I think it's important that all of us understand that we are not new to the province. We have had collective bargaining rights with CLAC from 1984 until 1992, and were closed down thereafter, and that is a list of the certifications that our member companies have with and through CLAC via the Labour Relations Board. And they're listed there for your convenience, just to help put it in historical perspective.

Appendix II deals with women and Aboriginal youth in construction — two huge sources of potential employees that are being ignored or, through the trade union movement, restricted in terms of entering the workforce, and we believe that it's important that we put emphasis on it, that we train them, that we include them in the industry, and that we see them for the potential that they are. And we outline what we are doing with those groups very successfully in other jurisdictions.

Appendix III deals with apprenticeship training, and especially on site. And for our Aboriginal communities, that is extremely important because they often have difficulty fitting into the environment of apprenticeship training when they are ripped out of their communities and put on remote job sites, etc., and then ripped out of that to go to school in the big city, and often that's where they become casualties along the way.

We have developed some very innovative ways of helping them to have them take schooling while they're on site, while they're taking their apprenticeship hours, so that they can better fit into the workplace on the long-term basis and then develop careers within the construction industry. And appendix III outlines that.

But there is another element to minorities entering in the construction industry. It's first of all a man's world as we know it today. Only 3 per cent of construction workers are women, and most of those are in lower management levels. In order to become a woman with a hard hat and safety boots, you have a lot of barriers. And so we have worked hard to develop a respect in the workplace policy, and that's a very important piece and element in not only women but also Aboriginal people entering the construction sites. And we believe that we have found the solutions to that because it also deals with cultural diversity.

[15:30]

And then appendix V deals with the drug and alcohol issues. They are issues, especially on remote job sites, and we have to deal with them. And they are more than a human rights issue; they are a major safety issue, and they need to be dealt with. And they can't be dealt with by courts alone because courts see drug use as a human rights issue, and it's not. It's a major safety issue, much like alcohol. We know how to deal with alcohol. We do not know how to deal with drug abuse and use on job sites.

So, Mr. Chairman, that's our presentation. It's short. We believe that Bill 80 is a very ideal piece of legislation in a province where the economy is hot, where there is a shortage of skilled workers, and where there's much to be built for the future of Saskatchewan. And we very much would like to be part of it and we thank you for the opportunity to make this presentation.

The Chair: — Thank you very much. Although your presentation was short, it was very informative and very well done, and I commend you for that. Thank you.

We will now open the floor to questions. We'll start off with Mr. LeClerc.

Mr. LeClerc: — A series of short questions. You were in the province prior to 1992. CLAC was in the province prior to 1992. They were working under the Saskatchewan Labour Relations Board certified unions, correct?

Mr. Vanderlaan: — Yes.

Mr. LeClerc: — And the piece of legislation in 1992 being, I take it, somewhat discriminatory caused you to leave? Is that correct?

Mr. Vanderlaan: — It forced us to leave, I guess is a better way . . .

Mr. LeClerc: — Could you define why it forced you to leave?

Mr. Vanderlaan: — Well at that point a new legislation gave bargaining agency status to only the building trades affiliated unions and excluded CLAC. As a result, all of those employees or members of CLAC either switched to the building trades or they left the province because they couldn't work on unionized environment. So they left, including the 1,600-some-odd Saskatchewan-based employees who went with the companies to work elsewhere.

Mr. LeClerc: — And your union membership today is 23,000? Your membership to your construction and to CLAC and there is another union; you work with a number of unionized unions. And those workers from other unions and CLAC, pipefitters, and whatnot, represent 23,000 in your labour force.

Mr. Vanderlaan: — I don't know the exact membership of CLAC, but it's much larger than that because it's Canada wide.

Mr. LeClerc: — All right.

Mr. Vanderlaan: — Most of the employers that we represent are in Western Canada. We employ 23,000 of those today.

Mr. LeClerc: — And so the current legislation as it stand is restrictive in terms of having 23,000 people having the opportunity, of having 23,000 skilled workers come to our province with a skilled worker ... and that's not counting CLAC.

Mr. Vanderlaan: — That's true.

Mr. LeClerc: — And you have worked putting oil pipe across the country, 50 per cent of the oil sands; you do diamond mining; you do a whole number of different things that you can't come in our province to do because of the current legislation that Bill 80 would allow you to do. Correct?

Mr. Vanderlaan: — Correct.

Mr. LeClerc: — Okay. I'm just a little kerfuffled about this piece of legislation from 1992. And I'm a little kerfuffled of why the pushback is on this. Do you, sir, have any outstanding complaints of safety from any other provinces, any work sites? Has there been lawsuits against your organization, against CLAC, for unsafe practices in the workplace?

Mr. Vanderlaan: — We have one of the highest safety records of any group, including the building trades group in Western Canada.

Mr. LeClerc: — Okay. Then that takes safety concerns out of the way. Now are you paying your workers less than everybody else is in this province? Are your wages for your employees a bad thing? Are you making a huge amount of money because you're paying your workers so less? Or what is your track record around your labour wages?

Mr. Vanderlaan: — All of our employees work on the union contracts. And those union contracts are equivalent to every other union contract in the construction industry. You have to keep in mind sometimes the variations are different. One union will have more in pensions and benefits, while others will have more in wages. Some will have more on living out allowance than others will in cleanup time or whatever the case may be — or transportation. But overall, the packages are almost identical.

Mr. LeClerc: — Okay. All right. Having said that, your two pieces around First Nation people ... And I have a great interest in First Nation because I'm part First Nation and I have a great interest in First Nation forming this government, that this is an untapped resource for our province and our workforce. What exactly have you done in your piece with First Nation in,

say, Alberta where I've had a lot of experience working with First Nation, or Manitoba as well? Could you give me some examples what your piece around the First Nation would bring to this province?

Mr. Vanderlaan: — I'll use a little bit and then I'll let the two gentlemen on either side of me because they're both employee people, First Nations people. We have had major training and developing a young workforce on the CNRL [Canadian Natural Resources Ltd.] Horizon project from Fort McKay. We worked with Fort McKay Band in order to train Aboriginal youth on site.

What we have done during their orientation is to have them live in camp because often camp is the scary part of First Nations being ripped out of their bands, out of their reserves. We've had their families come into the camps so that they knew where their sons and husbands were going to work.

We have had training facilities on site where we've entered them into apprenticeship programs and they've successfully completed those. We have a pre-employment program for city-based Aboriginal people, together with CLAC, in the training centres where we train them in pre-employment and then put them on job sites into apprenticeship programs.

And we put them through pre-apprenticeship for two reasons. Because there's a cultural aspect to it. That's an important one that they need to master before they go on the rough-and-tumble construction site, number one.

Number two, there is the need for them to develop some basic skills so that they can begin to make some career choices — do I want to be a carpenter, do I want to be an electrician, do I want to be a pipefitter. You know, so that they have some comprehension of what is entailed in all of those skills so that they can make the proper choices for themselves and those have been highly successful. Maybe you want to comment on ...

Mr. LeClerc: — I think that's enough on that. You've answered my question. I have one final question. It's around your drug and alcohol piece. Having been a drug counsellor and started a number of charities working with drug addiction, also having some friends in the construction field, the Remais among others; and knowing the difficulty around alcoholism and addictions, is this practice of your policy of dealing with treatment as a workplace issue, is that duplicated with the unions currently that are in our province or is this unique to you?

Mr. Vanderlaan: — It's not unique to us because we have partnered with a whole bunch of people. We've partnered with the Construction Owners Association of Alberta. We've partnered with Construction Sector Council, Canadian Construction Sector Council. We've partnered with a number of other associations and together have developed what's become known as the Canadian model for providing a safe workplace, which is really a drug policy which has been adopted by most of the major construction companies in this country and is used as the model in which the courts review any issues around drug use or drug testing and forcing employers to use rehabilitation programs instead of firing the employee.

Mr. LeClerc: — Thank you very much, sir, and I have to tell you I'm not sure why we would ever want to keep your company or CLAC or anybody else out of this province with what I've heard so far in your presentation. And if this piece of legislation in '92 has done that and has caused us to lose population and lose our skilled workers and not had the type of programming that you bring. I really am kerfuffled of what this is all about.

The Chair: — Thank you, Mr. LeClerc. Ms. Junor.

Ms. Junor: — I just really have a quick question before I'll turn it over to my colleague, Mr. Iwanchuk. Right on, again on the drug and alcohol issues page, I'm just curious about your mention or description of yourself as, our society has managed alcohol issues. I'm wondering what that means. What society are we talking about?

Mr. Vanderlaan: — Well in Canadian society, it doesn't matter which jurisdiction you're in, you know we have very strict rules about driving and drinking, for instance. There's ways of testing alcohol use both on the job site and when you're in the car, in a vehicle etc., etc. We do not have those kinds of rules around drug use.

Ms. Junor: — So you're using the larger global context of society.

Mr. Vanderlaan: — Well yes. It's a societal thing. Right? It's not just a job site thing. If somebody is impaired because of drug use and drives a car, and it can have the same consequences potentially as someone who has used too much alcohol.

Ms. Junor: — Thank you.

The Chair: — Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. A couple of questions, one I've asked a number of the presenters. The Progressive Contractors Association of Canada, could you give me some sense, the companies that you represent, what the companies are? And if possible, provide us a list in a little more background. It gives us a perspective of just where you're coming from and what the . . .

Mr. Vanderlaan: — I could do that very easily. It's on our website and our website's set out there. We are an association of employers. We're an employers' association and we represent construction and all of its . . .

Mr. Yates: — Okay. Thank you very much. You talk about 1,000 workers that are . . . their home base is in Saskatchewan. Are you talking originally from Saskatchewan or currently live . . .

Mr. Vanderlaan: — Currently live here.

Mr. Yates: — Currently live here, pay their taxes here, but work outside of the province.

Mr. Vanderlaan: — Their family is here. Yes.

Mr. Yates: — Okay. It states in your material that your larger labour provider is CLAC, but you stated that the 1992 legislation changes prevented you from operating in Saskatchewan. Now we've had varying presentations on whether the legislation prevents any employer from operating here, and I would just like your perspective as why it would prevent you from operating here because your employees can come, that are employed by any company. They can be non-unionized, or they could be in the current unionized building trade sector. But I'm not sure why or what prevents your companies from operating in the province of Saskatchewan, other than your own choice not to operate here.

Mr. Vanderlaan: — Well, Mr. Chairman, I'm going to have to be a bit detailed in order to answer that question. I hope you'll forgive me because I think it's important to understand it. It's a very good question.

Any company that has employees — and we're now talking construction today — but any company that has employees becomes . . . or is either non-union as your previous group presenters represented, or it becomes unionized through the action of the employees. The employees decide, we're going to join a union. And there's a multitude of reasons for that, so we won't go into that.

The employees then, depending on which jurisdiction, either vote on the union, the union applies on their behalf, and then there's either a runoff vote or there is, because of a percentage, there's outright certification.

[15:45]

At that point that company is unionized with a particular union. It needs to, by law, then negotiate with that union, right? And it concludes a collective agreement, hopefully. That's what it's ultimately all about. Once that is complete, now you have a unionized company, and which union that company is with has been totally determined by the employees — no one else. The employees chose the union, joined the union, chose the union.

Now in this province, prior to '92, a whole group of employees joined Christian Labour Association of Canada Local 151, which was their Saskatchewan local. When the legislation in '92 was introduced, the government of the day decided that bargaining agencies — unions the Labour Board was allowed to recognize as legitimate unions in this province — were the building trades only for the construction industry, which meant that these gentlemen's companies that were organized by CLAC or whose employees had joined CLAC, could no longer work in this jurisdiction because their union contracts were not recognized by the Labour Relations Board. So they stopped working here, right? And the employees went with them because the employees, you're right, the employees could have switched unions, but chose not to.

So it's about workers' choice. Ultimately it's about the right of workers — having the right to choose — and they did prior to '92. It was taken away in '92 — only in the construction industry, by the way.

Mr. Yates: — Thank you very much. One just follow-up question. And from reading your documents here, it seems to

me that there was a grandfathering of existing relationships in 1992 — or is that not true — that those companies that were certified and recognized by the board were continuing to be recognized beyond 1992? I need clarification on that.

Mr. Vanderlaan: — No, not in terms of the . . . Only those agreements were recognized whose unions had been declared bargaining agencies, and that was the building trades in the construction industry.

Mr. Yates: — So any certifications prior to that in the construction industry were null and void?

Mr. Vanderlaan: — If they were from other unions, yes.

Mr. Yates: — Thank you.

The Chair: — Mr. Iwanchuk.

Mr. Iwanchuk: — Just to get back to the issue regarding the employees who you say are Saskatchewan residents. Are they working outside the province right now?

Mr. Vanderlaan: — Yes, building pipelines. They're building . . .

Mr. Iwanchuk: — Okay.

Mr. Vanderlaan: — Or they're working in mining. And they're building infrastructure.

Mr. Iwanchuk: — And you track those employees, and you know they're residents.

Mr. Vanderlaan: — Yes.

Mr. Iwanchuk: — That's good. Just a question, so were you consulted about Bill 80 prior to this or made submissions to the government regarding Bill 80, issues like that? I mean, you wouldn't have known it was Bill 80.

Mr. Vanderlaan: — We've been making submissions to the government since 1992.

Mr. Iwanchuk: — Okay. Now any of your companies that you represent now, are they doing work in Saskatchewan?

Mr. Vanderlaan: — No, I don't think so.

Mr. Iwanchuk: — So Ledcor would not be here in Saskatchewan now?

Mr. Vanderlaan: — I think Ledcor may have a company that has a partnership with an Aboriginal group, and I think they're working through that partnership . . .

Mr. Iwanchuk: — Okay. Are there any other sorts of arrangements like that that are working . . .

Mr. Vanderlaan: — There may be that I'm not aware of. That's the one I'm aware of.

Mr. Iwanchuk: — Okay.

Mr. Vanderlaan: — Yes, there's one other company apparently. But I'm not familiar with it, so I can't . . .

Mr. Iwanchuk: — Now do they bring the employees with them or do they hire Saskatchewan . . .

Mr. Vanderlaan: — I suspect they hire Saskatchewan people because it's a partnership with a local Aboriginal group.

Mr. Iwanchuk: — When you say there's a sort of feeling that the company or the labour organization, that they bring these employees — that somehow there's 26,000 or 23,000 of your employees would automatically come to Saskatchewan — I mean, you know, your companies come here. And if you see this as opening it up to you, are all those people going to leave and follow the companies, or will you be hiring in Saskatchewan? We get this kind of feeling that there's these 26,000 people, workers that are going to come here if we do this. I don't want anybody to be disappointed if in fact that's not the case because they don't want to leave Calgary, Alberta; Vancouver, you know.

Mr. Vanderlaan: — They're not standing at the border waiting.

Mr. Iwanchuk: — No.

Mr. Vanderlaan: — But every company that will come here will first try to seek local employees. They're the cheapest, if you will, because you don't have to pay them travelling allowance. You don't have to pay them room and board, etc. So obviously local people always have a choice. The arrangements that we have with our collective agreements with CLAC give preference to local hires, and in particular Aboriginal hires. So those would be first.

But yes, I mean if at a certain point, you know, a job finishes in Fort McMurray . . . because what's always baffled me is the tar sands stopped right at the Saskatchewan border, and I didn't quite believe that the oil sands kind of stopped there.

Mr. Iwanchuk: — I don't either.

Mr. Vanderlaan: — So there's going to be an oil sands project in this province. And they may very well bid that, and they will undoubtedly hire people, you know, from here. But if they don't have sufficient people, they're going to bring them from elsewhere.

Mr. Iwanchuk: — I guess I make that point because we've sort of . . . A lot of this has been to open up investment, to create mobility for workers, and I think we're all concerned about that. We should understand some of the limitations I guess that, you know, that this means. Because all across this country we're in competition, as some people previously said — that, you know, once the recession is over, we have to be there competitively in that. So I just wanted to clarify that for myself.

Now you mentioned CLAC. Are there other unions that you work with?

Mr. Vanderlaan: — Yes, CEP.

Mr. Iwanchuk: — CEP?

Mr. Vanderlaan: — Yes.

Mr. Iwanchuk: — Okay. At which sites? How many members? Do you have it divided? Like how many are . . .

Mr. Vanderlaan: — Well it varies, right?

Mr. Iwanchuk: — Right, of course.

Mr. Vanderlaan: — Because construction is very volatile in the sense that jobs start and they peak and all of that. We probably have, of the 23,000, there's probably 2,000 are members of CEP. And they're working in different jurisdictions.

Mr. Iwanchuk: — And that's across Alberta and BC.

Mr. Vanderlaan: — Yes. BC and Manitoba, yes.

Mr. Iwanchuk: — Now some of the things we hear about — and perhaps we'll ask CLAC that more; but for yourselves, being here — some of the things that are said are that it's a company-dominated union, and you've no doubt heard that. What sort of has been your experiences? Because I know people bring up cases for us and say, here's what's happened. How do you reply to that?

Mr. Vanderlaan: — Well, let me start with saying this: these gentlemen both represent two different construction companies. When you talk to both of them for the purpose of trying to get them to bid your work, he's not going to praise that company. The building trades are not going to praise CLAC because it's a competition with all 16 of them. So first of all, it's a competition to them.

Secondly, it's a radically differently structured union because it's an all-employee bargaining unit. That means there's one contract for every trade. You know, different wage rates, etc., but one contract for all the trades of a general contractor. And that could be 16 trades, that could be. So it's radically different. But at that point it becomes the competitor to 16 unions, craft unions, so that they're not enamoured by CLAC.

Secondly, CLAC has prided itself of being a non-confrontational union. It doesn't mean it's a soft union, but it's a non-confrontational union, saying labour relations is not about adversarial relations, but it's about building bridges of respect and co-operation. That sort of flies in the face of its opposition, although those unions are changing too. Society's forcing them to change. But I think certainly in past years it was adversarial. And so when you are adversarial in your outlook, then when you look at someone who's not, then they must be soft. And so much of the rhetoric, I think, comes from the fact that number one, they're competition; and number two, they see them as soft. Why? Because they're not adversarial. And I don't buy either one, of course.

Mr. Iwanchuk: — So one other thing that has sort of been outlined here is because of voluntary recognition. Maybe I'll just set out a scenario. So if you had a construction site, prior to that you could have four employees on site or whatever and that

there could be an agreement negotiated — and this is all-inclusive — and then hire 1,000 more employees after that, but they'd have to accept the agreement that was already negotiated. And I apologize. I mean, it's just with our experience . . .

Mr. Vanderlaan: — No, that's a very legitimate point. I don't take offence to it at all. Construction is different than everything else. When you build a nursing home you know you need X number of staff to service residents in X number of beds. When you build a widget company, you may need five employees. But if all goes well, you might need 50 down the road, but you can't predict that.

Construction's even more volatile. Construction will start, and you need to have X number of employees on site in order to get this job started, you know. But if it's a \$2 billion oil sands project, you may all of a sudden find that instead of having two pipefitters or four or six, that all of a sudden down the road — six months or eight months down the road — you need 250. Legislation has never recognized build-up principle in construction. Because the six pipefitters are not going to wait to get unionized till the other 200 get there; they want to be unionized. So they'll try to get unionized as soon as they are on the job site.

You know, so there's sometimes a little red herring out there that, you know, that there should be build-up principle in construction, but it's extremely difficult because of the volatility of, you know, you have 30 electricians today, and you may only have one tomorrow because the job's coming to an end. And when is that? So construction has never had a build-up principle like a factory would.

Mr. Iwanchuk: — And I guess that's the struggle somewhat here is too because I think you've said that, and where we are saying that it's been said here before, that all of the unions are in sort of . . . We have a trade union Act here which you are probably aware of. And of course, other unions just certify, but they certify all employee units which includes everyone. But there is also different because those jobs are there, and you do have a unique situation in construction, and I think it's sort of accepted, and it might need a unique legislation around that to take into account all of these things, and so they've arrived at that.

But just getting back to the voluntary because part of this is individual projects and that. This goes back to the '60s where, you know, the people struggled with this issue because there were a single employers and everybody was together. And then you had, when disruptions do happen, you had a real instability in the entire industry.

And in fact people at that time, the contractors, asked that legislation be passed as stabilized in some way, so that you had . . . there was some sense of knowing this. And they went to words where they had a contractors' associations and tried to say, you know, unions can't just go organizing job sites, striking here and causing this disruption. I worry that sometimes we might be pushing back that way. I don't know.

Mr. Vanderlaan: — Well, I think the fact that there are . . . Let me step back just a bit. Much of the problem is is that much of

our labour legislation surrounding construction was built around craft unions and craft unions only. And that's because they were there when the first labour legislation was introduced across the country and different provinces. It never recognized that there were potentially other unions as well, and that's only been a recent — if I want to call the '80s recent if you'll allow me to — you know, that's where the different jurisdictions.

So you will see different legislation in Ontario. You will see a different legislation in Manitoba. You will see a different legislation in British Columbia. British Columbia is probably the most advanced in the sense of recognizing there are craft unions and there are other unions, you know, and that's not only CLAC, it's IBEW [International Brotherhood of Electrical Workers] or IWA [International Woodworkers of America], CEP, etc.

Increasingly the trade unions', the craft unions' jurisdictions, you know, are being infringed by IWA, CAW [Canadian Auto Workers], etc. They're all starting to do construction work, and none of them are craft unions. So, you know, often the sort of ferocity against multi-craft unions is directed at CLAC. There are many other unions doing exactly the same thing.

[16:00]

Mr. Iwanchuk: — No. And I didn't mean to raise just the CLAC.

Mr. Vanderlaan: — No, no. I . . .

Mr. Iwanchuk: — But in terms of that, in terms of your experience then in the different jurisdictions because, before we move . . . I mean, change is all fine and good. But for us, I think we look at economic activity versus stability out there so we're not expending a great amount of money in work stoppages or otherwise in that.

Because we have had quite a stretch of stability here. And when you look at that, it has served us well. And we're now talking about changing — quite dramatically I guess, from some perspectives — into a system of where we will have, you know, all employee-inclusive units. Even if . . . And I don't know how you do that to not get employees upset, to make you adversarial in terms of CLAC or whatever you would use. But I mean, that sometimes is dictated by the economic situation.

And I think we've heard here in terms of if the wages aren't there. We've heard from many of our housing association and builders that the wages are being ramped up, whether it's union or not union, because you have to attract employees. So you know, just in that . . . And I think those are some of our reservations when we go here and look at this because we have that.

But have you found that . . . Have you ever done studies of how your wages compare with the building trades, for example, in Alberta?

Mr. Vanderlaan: — Yes. We do all the time. And they're always very close together. They're not identical because the emphasis can be different. But you know, they're within percentages of each other. Sometimes they're higher,

sometimes lower, depending on when the wage increases fall within terms of the collective agreements, for one.

The other one, I think that legislation, when it opens up a society and it brings diversity, I think then a society blossoms. I think it's always the case. You know, when BC introduced multi all-employee bargaining units, there was a great fear that that would create havoc. It has done the very opposite.

When CLAC became successful in the tar sands, there were predictions that those tar sand projects, where they would be working side by side would become, you know, hotbeds for dissent. They haven't. They've been building them very well together. So I don't see it being any different here.

You know, for me it's always been a bit ironic. An election which should open things up in Iran just creates turmoil. Why? Because it's not open and fair. And what more can I say? An open society blossoms and its people do too.

Mr. Iwanchuk: — One final question. Any idea of how many companies will immediately come to Saskatchewan if this was to pass?

Mr. Vanderlaan: — Depending on how jobs are tendered and, you know, if they have the capacity and the expertise to bid on them, I think if you are going to build an oil sands projects, you will probably have 20 companies that will start building on the project. If you build a diamond mine — I don't know how many diamonds you have — but if you build a diamond mine, you'll have three or four of them.

Mr. Iwanchuk: — Yes, I think I'm with you on that. Sometimes it's the economy that drives a lot of this stuff. You can't pass legislation to create, stimulate the economy. But thank you for that.

Mr. Vanderlaan: — You're welcome.

The Chair: — Thank you, Mr. Iwanchuk. We are over our allotted time, but it's been very stimulating conversation and interesting answers. So we'll take one set of questions from either side of the committee room again. So I'll recognize Mr. Broten and then Mr. Stewart before we wrap up.

Mr. Broten: — Thank you, Mr. Chair. Thank you for your presentation and for the answers you have been providing.

This morning one of the groups that we heard from introduced some terminology to the committee, a concept. And the phrase that was used was dummy unions or employer-dominated unions. And I think when the concern was raised, the sentiment behind the concern by the group that presented was their belief or their understanding, I would assume, that these types of unions — you described it as non-adversarial, but perhaps other descriptions as well — but these types of unions, their concern would be that perhaps workers' interests aren't treated in the same way they may be treated through the trade unions or workers' interests may not always be the top concern and priority for the dummy union, as it was described, or the employer-dominated union.

Now I'm sure you would take issue with that terminology and

that description, but it caused me to think, well is this perhaps a fair description, and what evidence might be out there in terms of how workers are being treated and is it a fair issue.

And it took me back — I think it was last week — I was listening to an interview on CBC [Canadian Broadcasting Corporation] Radio on *As It Happens*. I believe that was the show. And they had an official from the ministry of advanced employment and education and labour — not in Saskatchewan, but in Alberta — so a ministry official from Alberta.

And it was an interesting story because what the ministry is now doing is they're doing an advertising campaign in China trying to track down, I think it was about 200 workers. And the way it was described in this interview — it was I believe at Fort Mac and it was a CLAC site — and there were about 200 migrant Chinese workers that were working on that site. And these workers did not receive all the wages that they were due and they were working under CLAC. So now the ministry, aware of this, is putting ads in papers in different regions of China trying to track down these people because the amount owed is actually, I believe, it was in the millions. I think it was over \$2 million, something like that.

Perhaps the ball was dropped in a number of areas, but certainly I would think if CLAC was representing these workers, there was likely a problem with the quality of representation that occurred by CLAC for these migrant workers. Are you familiar with that story and that site?

Mr. Vanderlaan: — Sure. It involves one of our member companies, but let me just straighten the story out a bit. CNRL, who is the owner of the Horizon project, sublet its tank farm to a Chinese engineering and construction company from China. So they engineered and built the components in China and then shipped it here, and then with their employees erected those tanks. There were flaws in that, but they got it past whatever agencies they have to get it approved. Once those employees came here, they automatically fell under CLAC's and our contractor's agreement. One of those tanks collapsed and killed two employees.

Prior to that, a number of things had happened because CLAC was concerned, and sat down with the contractors and said, we need to do something because how do we know that these people will get the wages that they're supposed to be paid. They were being paid \$33 an hour plus benefits. How do we make sure that those people actually get that money from that Chinese company. So what had happened is CLAC, together with the contractor, agreed to set up bank accounts at a Canadian bank for each one of those employees. And that's where the money was deposited directly for those employees.

The two employees that were killed, one of those was a CLAC member and was eligible for life insurance, or his wife and child were eligible for life insurance and accidental death and quite a substantial amount of money — close to a quarter of a million dollars. CLAC sent a representative to China to present it to the widow because they didn't trust the process. When they got there, just as they were presenting it, the presenter from CLAC got a phone call from a lawyer on his cell phone saying don't give it because that's not the widow and that is not the child. And so what it ended up to be, it happened to be the

fellow who was killed, his sister who had borrowed somebody else's child and presented themselves as the widow and the child. Fortunately CLAC was able to intervene and did not give the money and then hired a Chinese law firm who found the widow and made sure they got the money.

At that time, it found out that the employees that were paid \$33 an hour in their Canadian bank account, when they transfer that money from the bank account in Canada to the time that they've transferred to their bank in China, either the Chinese government or the company got hold of that money. And they only got a percentage of it and the rest was outright stolen. If it hadn't been for CLAC, that wouldn't be an issue today.

So now CNRL, together with others, are advertising in China to get those employees, find out how who they are so that those people can get their rightful money, and I know it's a tremendous amount of money. They might be getting \$5 an hour in China and they got \$33 here, but the point is it's their money and somebody stole it. And we're doing everything possible to make sure they don't get it, or they get it back — that the employees get it back.

Mr. Broten: — Well thank you for that explanation. I'm sure that it's a long, detailed story with many sides to the argument.

Mr. Vanderlaan: — But CBC did not take much issue with that.

Mr. Broten: — The point being changing the structure that allows what types of workers are able to work in what types of environments certainly has implications for wages for workers, who's receiving wages, and safety conditions on a site. So thank you for your reply.

Mr. Vanderlaan: — Yes. Of course it has a lot to do with the immigration department of the federal government, who gets in here to work.

The Chair: — Thank you, Mr. Broten. And we'll go to Mr. Stewart to close.

Mr. Stewart: — I have a couple of questions. I think they'll be fairly brief. Thank you, Mr. Vanderlaan, for your presentation. I was taken with your remarks about an open society being more successful, and I concur wholeheartedly. And further to that, we've been told that in 1992, when this existing legislation was passed, that 80 per cent of the construction industry in Saskatchewan was unionized, and now it's down to 20 per cent under this restrictive legislation that we've been living under, and CLAC has not been living under since 1992.

In the view of the Progressive Contractors Association of Canada, has the lack of choice and lack of freedom in this piece actually hurt the trade union movement in the province of Saskatchewan during that time under this legislation?

Mr. Vanderlaan: — Absolutely. You know, CLAC currently is the fastest growing union in Canada.

Mr. Stewart: — Thank you. There's the one other issue that I meant to ask you about. You talked about how the trade union movement has been restricting women in the construction

sector. And I'd like you to elaborate a little more on that if you could and explain how CLAC and the Progressive Contractors Association are different.

Mr. Vanderlaan: — I don't want to say that the trade union movement has restricted women in the construction industry. I think it certainly has restricted Aboriginal people coming into the construction industry, and often that's because of hiring hall numbering, etc.

Women is a different issue. Construction is a man's world and it needs to change. And the only way it's going to change, if we all work at it and not just some of us. Can you imagine if you were the only woman on the construction site and you have to go to the washroom. Where are you going to go? You know, it's just little things, but it's that kind of stuff. It takes a whole cultural change, and that's why I think what we've done is we've often focused it, saying, can we find women with those skills? But we've not dealt with the cultural issues that surround that. And that's why respect in the workplace is such a vital element of that.

Mr. Stewart: — Thank you. That's all.

The Chair: — Thank you, Mr. Stewart. Well being quarter after 4, we've come to the end of our time. I'd like to thank the Progressive Contractors Association of Canada for their very detailed presentation and very detailed answers to the questions. And with that, we have adjournment till tomorrow morning at 10 a.m. So again thank you very much and thank you to committee members.

[The committee adjourned at 16:14.]