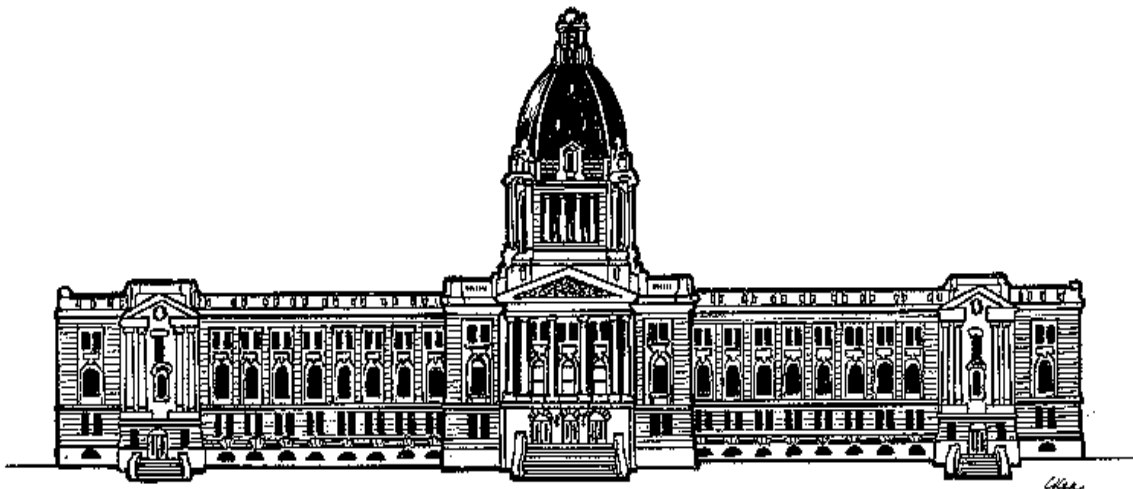




STANDING COMMITTEE ON HUMAN SERVICES

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Legislative Assembly of Saskatchewan

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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 09:30.]

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

The Chair: — Good morning committee members. We're here for a revised agenda this morning. Chitting in this morning for Mr. Cam Broten is Mr. Kevin Yates. Chitting in this morning for Ms. Judy Junor is Andy Iwanchuk. For Joceline Schriemer this morning, chitting in is Lyle Stewart. And chitting in for Doreen Eagles is Denis Allchurch.

We're here on this revised agenda this morning for consideration of Communications, Energy and Paperworkers Union of Canada's request to appear before the committee in regard to Bill No. 80, *The Construction Industry Labour Relations Amendment Act, 2009*. Mr. LeClerc.

Mr. LeClerc: — I move:

That the Standing Committee on Human Services now go in camera until 9:50 to discuss further applications for submission of Bill 80, *The Construction Industry Labour Relations Amendment Act, 2009*.

The Chair: — Mr. LeClerc moves:

That the Standing Committee on Human Services now go in camera until 9:50 a.m. to discuss further the applications for submission on Bill 80, *The Construction Industry Labour Relations Amendment Act, 2009*.

All in favour? Opposed? Carried. We'll go in camera till 9:50 a.m.

Since we are in committee, I'll have to ask all the members of the public to leave until we go back in committee at 9:50.

[The committee continued in camera.]

The Chair: — Sorry to the witnesses and attendees for the delay. We are now back out of camera and we'll begin today's hearings.

Today with our committee, chitting in for Mr. Cam Broten is Mr. Kevin Yates. Chitting in for Ms. Judy Junor is . . . oh, Judy's in now. Nobody's chitting in for Judy Junor. And we also have in attendance today Mr. David Forbes and Mr. Andy Iwanchuk. To my right we have Mr. Serge LeClerc. Chitting in for Ms. Doreen Eagles is Mr. Lyle Stewart. Chitting in for Ms. Joceline Schriemer is Mr. Denis Allchurch. And we also have Mr. Glen Hart, and I'm Chair Greg Ottenbreit.

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 recommendations to the appropriate 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. This is presentation by witness, question and answer by the committee. Each presenter will be allowed approximately 30 minutes per presenter — 20 minutes for presentation and approximately 10 minutes for question and answer. I will give an approximately five-minute warning just with a hand signal to the presenter so they are aware of the time.

We're here for consideration of Bill No. 80, *The Construction Industry Labour Relations Amendment Act, 2009*. We're through second reading of the Bill — so it's passed in principle by the House — so I remind all members that questions are to be relative and adhere to the content of the Bill. Any presenters that have brought along written submissions will be asked to give them to the Clerk for distribution to members, and then they will be tabled with the committee.

Members and general public can view written submissions from witnesses at legassembly.sk.ca/committees as they are public record when tabled. We do have limited seating in this Chamber; however we do have 25 seats that are available — first-come, first-served basis. We have five media seats available as well for media. I encourage all to attend as this is a public and open consultation process.

I welcome the Saskatchewan Federation of Labour this morning and ask them to introduce themselves individually for the purpose of committee knowledge and of Hansard.

Presenter: Saskatchewan Federation of Labour

Mr. Hubich: — Thank you, Mr. Chair. My name is Larry Hubich, and I'm president of the Saskatchewan Federation of Labour. And I'll allow my colleague to introduce herself.

Ms. Banks: — My name is Cara Banks. I'm the communications and research officer at the Saskatchewan Federation of Labour.

Mr. Hubich: — Thank you very much, Mr. Chair, and committee for the opportunity to present to this committee on Bill C-80, the amendments to *The Construction Industry Labour Relations Act*. We have provided for you a package of information which includes our brief and a number of appendices that are referred to in the brief. I'm going to take you through it because I think that there are some significant areas that you need to hear from us with respect to . . . I'm not going to read all of it, but there will be significant portions that I do. Some of the quotes from some of the other presenters that you've seen, I'll not be reading.

The Saskatchewan Federation of Labour represents approximately 95,000 workers who are members of 37 national and international labour organizations. We are a union of unions, and we speak out on issues on behalf of our membership and for those workers without unions.

Bill 80, *The Construction Industry Labour Relations Amendment Act, 2009* will have a profoundly negative effect on the building trades, nine of which belong to the Federation of

Labour. And the nine that are members of our federation are the Construction and General Workers, the International Brotherhood of Electrical Workers, the International Association of Heat, Frost Insulators & Allied Workers, the Ironworkers, International Union of Operating Engineers, Millwrights, the United Association of Plumbers and Pipefitters, the Sheet Metal Workers, and the United Brotherhood of Carpenters and Joiners of America.

The Saskatchewan Federation of Labour endorses the Saskatchewan Provincial Building and Construction Trade Council's submission to the Standing Committee on Human Services which was presented to you on June 17. The federation shares the council's analysis of Bill 80's effect on the unionized construction industry and on the apprenticeship system in Saskatchewan on the lack of consultation.

[10:15]

While the SFL [Saskatchewan Federation of Labour] appreciates and expects to be meaningfully consulted by governments on issues that affect working people, such opportunities have been denied to us since the election of the Sask Party government. Some might view the opportunity to address the Standing Committee on Human Services as a positive step forward. We unfortunately see it as a rubber stamp process and feel that all major decisions concerning the CILRA [*The Construction Industry Labour Relations Act*] amendments have already been made. Consulting with those affected after the fact is like closing the barn door after the horses have escaped.

Why were the organizations who represent working people in the industry not asked for input before the legislation was drafted? The Federation of Labour has registered these same objections with the introduction of several other pieces of legislation in the last year and a half which affect working people, namely *The Public Service Essential Services Act*, the amendments to *The Trade Union Act*, and *The Trespass to Property Act*.

We believe that there are no demonstrated need for the amendments. The federation submits that there is no demonstrated need for these changes to the CILRA. Building permits are on the rise. The construction industry is booming, and the apprenticeship system is growing. The unionized construction industry contributes positively to our Saskatchewan economy by providing high-skilled workers and decent wages which stimulate the economy.

At the annual meeting of the Saskatchewan Provincial Building and Construction Trades Council on August 2, 2006, at the Delta Bessborough in Saskatoon, then leader of the opposition Brad Wall was asked what the Saskatchewan Party would do with *The Construction Industry Labour Relations Act* if they were to form government. I was in the room, and I witnessed what he said. And he stated that the CILRA was not a barrier to growth and indicated that, if elected, they would not change the Act. The actions of the government, with respect to the amendments contained in Bill 80, make a lie of that statement. What has changed? What is the rationale for these amendments?

The unionized construction industry is healthy; there's not been a construction strike or lockout in 17 years in Saskatchewan. The lack of unrest is due to the fact that the current system of certification and sectoral bargaining are satisfactory both to the workers and to employers. Employers contact the building trades council in advance of coming to Saskatchewan or starting a project. Companies request certain numbers of tradespeople from various trades, and the building trades helps to coordinate this arrangement to the benefit of both workers and employers. Workers enjoy the protection of being in a union, and employers are assured of quality journey-status workers on construction projects.

It's worth reviewing the history of the origin of the CILRA to get a closer look at the reason for craft bargaining in the first place. And there's a significant quote there from Kerry Westcott, the United Brotherhood of Carpenters and Joiners Local 185 which actually elaborates on the purpose of the CILRA, and it's "... to permit a system of collective bargaining in the construction industry to be conducted by trade on a province-wide basis between employers' organizations and unions ..."

The CILRA allows unionized contractors that employ carpenters to elect leaders to bargain province-wide carpenters' collective agreements with the elected leaders of the carpenters' local 185. This model is followed by "Six employers' organizations bargain collective agreements with 12 construction trade ... covering 24 of Saskatchewan's apprenticeable trades." You can read the rest of Mr. Westcott's elaboration on the history of the CILRA, and you'll find that it has served the industry well.

There are several good reasons why Saskatchewan and nearly all industrial nations bargain provincial and national construction agreements on a craft basis. Contractors examine building plans and estimate the cost of materials, labour and equipment, interest and rents, add some margin and place a sealed bid in a repository. The lowest qualified bid wins the contract, and every contractor uses similar software for estimation. The price of every input is in the bid and labour is the same for all. They pay the same interest rates, the same price for steel, concrete, and crane rentals. In the absence of province-wide agreements, the most elastic input in the bid is the price of labour.

When unemployment is high, the contractors can hire the hungriest carpenters on the cheap. And when labour is in short supply, the trade union can whipsaw a contractor into paying wages much higher than those quoted in the bid. It could even lead to bankruptcy.

So there has been a calming effect and actually a stabilizing effect in the industry as a result of *The Construction Industry Labour Relations Act* — and I'm off the script. Middle of the page, page 8. With Bill 80, the government is putting in jeopardy the apprenticeship system that provides our province with highly skilled and, in many cases, specialized workforce.

And with the move away from craft certification, the government is inviting industry instability at a time when Saskatchewan needs a booming construction industry to stimulate our economy and fend off the worst effects of a

world-wide recession. As the Construction Trades Council states in its submission, and this is a quote:

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 contracts have had active, stable and productive relationships with their certified unions over the most recent 15 years suggests that there is no injustice to correct.

Who profits from Bill 80? The SFL shares the building trade council's perspective regarding who truly benefits from Bill 80. In their brief they explain that Bill 80 is designed to prevent workers who work in non-unionized employers from certifying that employer. Bill 80 will diminish the ability of employees on a construction site from organizing and forming a union. Bill 80 does this by allowing a company — for example a contractor from outside the province — to strike an agreement with an employer-friendly union, sign an agreement with them, and anyone who works for that employer will have to join that union chosen by the employer.

The assistant deputy minister indicated in a briefing that took place just a couple of hours before the Bill was introduced — I attended that meeting as well — that the only organization other than a few employer groups who asked for these amendments was the Christian Labour Association of Canada.

The Canadian Labour Congress has researched CLAC [Christian Labour Association of Canada] and raises significant concerns about the organization's structure and its tactics. And I have included appendix . . . well I'm calling it appendix I, which is a report by the Canadian Labour Congress that you'll have, dated February 2008, and I refer you to that.

For example the CLC [Canadian Labour Congress] estimates that “. . . in certain jurisdictions, between 25% to 40% of all collective agreements negotiated by CLAC are voluntary recognition agreements with friendly employers who do not want legitimate trade unions in their workplaces.” Page 12, that's from page 12. Such arrangements are often signed before the workers are even hired.

Voluntary recognition agreements are currently unenforceable in Saskatchewan. How will employees have their rights protected if an employer violates a collective agreement under a voluntary recognition situation? The Labour Relations Board currently has no authority to enforce a voluntary recognized collective agreement.

The SFL is concerned that this government is inviting associations like CLAC into the province who are known for following anti-democratic practices. And the bullets are conducting ratification votes before a wage schedule was negotiated into a collective agreement; permitting management to participate in unions' meetings; enticing employees with interest-free payday loans advances if they signed with CLAC when real unions were trying to organize them; empowering their staff to conclude, execute, and administer collective agreements on behalf of CLAC or an affiliated local without having to go back to the memberships for a vote; and withdrawal of the benefit plan coverage as a payback for loss of

certification. And you can read that reference in appendix I on page 14 and 15.

Research completed by the Canadian Centre for Policy Alternatives in British Columbia — and it's attached as an appendix — also indicates that CLAC has helped employers in BC [British Columbia] circumvent the Employment Standards Act by agreeing to contracts that provide less than the minimum standards afforded by law. Substandard agreements signed by employer-accommodating unions have the effect of driving down wages and benefits for working people across the construction industry. This will further erode the purchasing power of our tradespeople and the tax revenues for the province.

The other organizations who asked for Bill 80 are special-interest contractor groups from various sectors in the industry, for example the Merit Contractors of Saskatchewan and the Progressive Contractors Association of Canada. We find it suspect that organizations, who have as one of their objectives the total elimination of workers' right to be unionized in the first place, would champion these changes under the phony rationale of so-called employee choice. The vast majority of the members of the Merit Contractors Association of Saskatchewan is non-union and has absolutely no attachment to the unionized construction sector nor to the CILRA. Why are they asking for changes to this Act if it doesn't affect them?

Abandonment of certifications. One of the most harmful amendments proposed by the changes concerns the issue of abandonment. As the building trades council stated in their submission, the government is intending to dramatically change labour law in Saskatchewan to allow employers to use abandonment as a back door to getting rid of union certifications. If these changes become law, Saskatchewan will be the only jurisdiction in Canada that has an inactive legislation on abandonment in a retroactive manner.

By providing the Labour Relations Board with specific parameters to rule on abandonment, Bill 80 encourages employers to walk away from certification orders where the union has been inactive for a period of three years. This will be tempting for Saskatchewan-based companies who have to compete with out-of-province employers who are signing all employee certifications under the new Act. And I am advised by our affiliates in the construction sector that it isn't unusual sometimes to have dormant certifications for periods exceeding three years because there's been no work in that particular industry or with that particular employer. So it's not unusual. That should not lead to a unilateral right to an employer to request the decertification of the union on the basis of abandonment.

Freedom of association. The government's backgrounder states, and I quote, that:

The Ministry of Justice has provided a legal opinion that states that the labour relations model established by CILRA is vulnerable to a constitutional challenge. The government believes Saskatchewan laws should have a sound constitutional basis.

The SFL notes that this government has had no problem enacting labour laws which violate the constitution when it comes to amendments to *The Trade Union Act* or to the passing of *The Public Services Essential Services Act*. Indeed this government has admitted in the legislature that its trespass to property Act may well violate the freedom of expression and peaceful assembly sections of the Charter of Rights and Freedoms.

Why is the government suddenly concerned with the associational rights of workers in the construction industry, given this contradiction? Workers who do not wish to be unionized are free to work in the non-union sector. The SFL has not heard complaints from unionized tradespeople regarding the labour relations model that's currently in place under the CILRA. The benefits of sectoral bargaining and the training and protections that union jobs afford combine to create a highly skilled workforce and a stable construction industry.

A balanced approach to the economy is needed. At a time when many individuals and nations are seeking ways to work together in common cause, this government looks for ways to divide workers and employers. It is no accident that the Saskatchewan economy is stronger than most, and it's because we have historically relied on three pillars: the private sector, the public sector, and the co-operative sectors to anchor our economy. And because we have a productive workforce with the ability to adapt to economic and labour needs, this approach to the economy — rather than a hands-off, deregulated market economy — has allowed us to fare better during tough times than many around us.

The Saskatchewan way also explains how a farmer in Davidson, who has always supported right wing political parties, is still active on the board of the local co-op or credit union or school board. It's also why most of us will stop to help push a stranger's vehicle out of a snowbank.

Bill 80 — along with Bills 5, 6, and 43 — are a total reversal of workers' rights in this province. The effects of these Bills will adversely affect labour relations in the province for decades to come. It's quite apparent that our provincial government has little or no respect for working people and their desire to improve the quality of their lives for themselves and their families, their friends, and their neighbours.

Your government seems to lack any real understanding of unions and their many contributions to our society. Unions have played an ever larger role in democratizing our society and ensuring that we continue to move forward towards a more fair and equitable society. And I could refer you to some citations from the Supreme Court of Canada that reinforce that a democracy is judged by how free its trade unions are and that we can learn a lot about democracy by following the models of trade union movement in the country.

[10:30]

It should be noted that, while we send our military to the corners of the world to promote peace and democracy, that many Canadians leave their rights at the door when they enter their workplace. Often only minimum labour standards govern their lives. Unions provide a bit of balance for workers when

they're dealing with their employer.

There are also studies that show that unionized workers work safer, are more productive, and provide a higher quality of work. Unions have promoted, lobbied, and fought for — to name just a few — better labour laws, employment insurance, workers' compensation, health and safety, universal medicare, maternity and paternity leave, and pensions. Decent union jobs bring stability to families and to our communities, and the wages and pensions that they earn takes the pressure off of our social safety net and contribute positively to our tax base.

It is no accident that the United States President, Barack Obama, is promoting new labour laws which would make it easier, not harder — such as Bill 6 — for workers to form unions. He clearly sees that a higher percentage of worker unionization supports and builds a larger middle class and thus benefits the whole country. Why is Saskatchewan going in the opposite direction?

The 2009 amendments to *The Construction Industry Labour Relations Act* amount to little more than a full-fledged assault on unionized construction workers and their unions. It's a mean-spirited, ideological attack that is aimed at wiping them off the map.

Our recommendations are that Bill 80 is unjustified, and we ask that it be withdrawn. We then ask that your government sit down with all current stakeholders to analyze the system, identify any outstanding issues, and propose solutions together. The process used in developing Bill 80 has been undemocratic and overbearing. It is not the Saskatchewan way.

I want to thank you for the opportunity to make the presentation today, and I look forward to your questions. I'll do my best to answer them, and thank you very much once again.

The Chair: — Thank you very much, Mr. Hubich. Mr. LeClerc.

Mr. LeClerc: — I can well assure you that I have a great respect for working people since I'm one of them and that as far as my understanding of our government, we have a great desire to improve the quality of life for families, friends, and neighbours. And I think what we have done in the past 18 months, at least to many people in this province, has shown that with our work toward the social agenda. I do take exception to be called mean-spirited.

Having said all that, when this legislation was presented way back in 1984, there was an 80 per cent union membership in the construction field and a 20 per cent non-unionized. Now there is a 20 per cent union membership and an 80 per cent non-unionized. It seems to me that the legislation that was put in effect actually had an adverse reaction to unions, judging by that. As well having said that, if we have 80 per cent non-unionized construction industry, that there is freedom of choice. People are choosing not to be part of a union or people are choosing to be part of a union. So we're basically talking about 20 per cent unionized workers. And you're referring that they don't have freedom of choice.

The argument that we have heard as a committee from the

witnesses, without the rhetoric, has been that some believe that it is freedom of choice to be able to join another union. Some have said that it is not freedom of choice, that this is going to adversely affect the playing field. Why do you say it is not freedom of choice to be able to join CLAC or to join CEP [Communications, Energy and Paperworkers Union of Canada] as an option to be a member of that union?

Mr. Hubich: — The sector is organized on a craft and trade basis, and there's a historical reason for the sector to be organized on a craft basis. And you'll receive these arguments, I'm sure, from the building trades. We're supporting their submission.

It is no different than having teachers certified on a trade basis. If you teach in Saskatchewan in the public system, you're a member of the STF [Saskatchewan Teachers' Federation]. If you are a doctor, you join the Saskatchewan Medical Association. If you are a lawyer, you join the bar. It is not unusual to have industry or certain occupations certified on the basis of their occupation and/or craft.

There is a historical relationship with the building trades and the establishment of their certification under *The Construction Industry Labour Relations Act*. It's not unique, by the way, to Saskatchewan. At least in my information it's certainly not. And there is historical reasons why the crafts are structured in the way that they are. It reinforces a strong apprenticeship commission and the training of future workers in their trade and in their craft. And so I'm certainly not the expert in those areas. The experts in those areas are the people who actually work in the trade, and I would defer to their recommendations in that regard.

Mr. LeClerc: — I'm still trying to understand this aspect. I mean, call me naïve but I just . . . For me, freedom of choice is to belong to whatever organization or labour union or not to be. I believe that's freedom of choice. I can join the Kinsmen. I happen to be a Rotarian; I've chose to join them. I'm an associate member of all the Crime Stoppers programs of Saskatchewan, so I've chose to join their organization. I mean freedom of choice seems to me to join or not join. And in this case, we have freedom of choice where 20 per cent of the trades decide to be part of a union and 80 per cent decide not to be part of the union.

What I'm trying to figure out is, if you wish to join CLAC or CEP, why that wouldn't be freedom of choice. Why should we prohibit people from joining CLAC or CEP? I'm trying to understand what your disagreement with bringing more unions into the province is about and giving people greater selection of who they want to belong to. Because at the end of the day it is a voluntary decision, whether they want to be part of that union or be part of the Steelworkers or be part of the trades. I mean, this is still a democracy.

Mr. Hubich: — Yes, and the historical establishment of the building trades is recognized under that structure. If you want to be a lawyer, you can't practise law in the province of Saskatchewan without being a member of the bar. So there are, in a democratic society, legitimate parameters around certain occupations. It happens that the history of the building trades is just that.

I have no apprehension whatsoever of having other unions in the province. As a matter of fact, all but one of them that you referred to are members of the Federation of Labour. The CEP is members of the Federation of Labour. The Steelworkers are members of the Federation of Labour, and they represent workers in this province. I'll defend their right to be unions as well.

The question that we're dealing with here is the amendments to *The Construction Industry Labour Relations Act* and the lack of consultation with the people who are actually affected and the experts in the field. And their structure and the history of their structure at least deserves, in my opinion, a consultation that was in advance of the tabling of legislation that attacks and undermines their right to actually be established and the historical significance of that because, unless my information is not accurate, they were not consulted in any way, shape, or form about amendments to the construction industry labour relations before the Act was tabled in the legislature.

So I don't know how a government who professes to want to do things in the interest of the citizens of Saskatchewan can introduce a piece of legislation that affects people and never talk to them.

Mr. LeClerc: — So would it be then, from what I hear you saying, sir, is that your argument is against process and not necessarily against the Act or not necessarily against CLAC. I mean surely if CLAC made application to join the SFL you would accept them. There's nothing wrong with them as a union. You accept CEP, and they're organized on an all-employee basis. And they are part of your membership. They've stated this is a giant step for construction workers.

So do I take it from then your answer to me that your problem is the process that the government has used as opposed to the actual Act and as opposed to CLAC or CLAC joining your membership?

Mr. Hubich: — If you would refer to the recommendations contained in the brief, it's that the Bill be withdrawn and that you engage the experts in the field in a meaningful dialogue around issues that you determine are necessary to deal with. I'm not going to presuppose what the building trades might say to you in that dialogue.

What I can tell you is that we will not . . . I mean if people make application to be affiliated to the Federation of Labour as a legitimate trade union, they first must pass a threshold that they're not an employer-dominated organization. And if they can pass that threshold and meet that threshold, then they'll be welcomed in admittance to the Federation of Labour.

There's 37 different unions in the Federation of Labour. And you might find it surprising that not every position that we advance is unanimously supported. It's no different than a group of business people. They're not always 100 per cent in sync on every matter. What I can tell you though is this, is that the Federation of Labour as an organization is supporting the call of the building trades for the withdrawal of Bill 80 and a meaningful dialogue around what someone is determining is necessary to deal with.

We don't have evidence to suggest that there is a problem here and that the system is broken. In fact nothing has changed from the time that the now Premier in August 2006 said in the Hotel Bessborough, at the meeting that I was attending, that *The Construction Industry Labour Relations Act* is not a problem and that his party, if elected government, would not change it. There is no difference in the situation between then and now. In fact there's more activity going on in the province.

And so I think that there's an obligation on behalf of the government and on behalf of this committee to engage in meaningful consultation with people who have done this for their career — the skilled trades workers in this province who built the rinks and who put up the water treatment plants and who coached the kids in hockey and who contribute to their communities. You've at least got an obligation to consult with them in a meaningful way to hear what their concerns are before you introduce legislation that affects the rest of their lives.

Mr. LeClerc: — One final question in wrap-up. There is a difference since 2006, and one is we have an extreme employee shortage. And we have major construction going under way that we can't get under way because we don't have the labour force to be able to do it. I'm presuming that that is different than it was in the year 2006. I know personally it was.

As for the if it's not broken, don't fix it, and the infamous comment by Murray Mandryk, we have been hearing here that although you agree with Mr. Mandryk's comments that both sides in this debate — and witnesses have presented, I think, almost an agreement — that this abandonment issue that was brought to be in the legislation in the year 2000 has actually created a great many problems. And that in fact maybe that battle cry, if it's not broken, don't fix it, should have happened in the year 2000 when that piece was put in that has brought about this reaction under the abandonment issue and has put companies into jeopardy, when in the year 2000 it didn't seem to be in jeopardy. I mean everything seemed to be going along quite well.

Now I wasn't part of this committee in the year 2000. I wasn't part of putting that legislation into place. We were not the government in 2000 that did that. But it seems to me that almost unanimous at the end of it all, that while they may not agree on Bill 80 in and of itself, there seems to be some consensus and agreement that the abandonment issue has been problematic from the legislation that was placed in the year 2000. And prior to that, there didn't seem to be any issue with it. The legislation in and of itself that changed the abandonment piece to that has created a great amount of problems.

[10:45]

Mr. Hubich: — And your question?

Mr. LeClerc: — The question is, do you agree or disagree with that?

Mr. Hubich: — I didn't really understand what it was you were saying, so I can't agree or disagree.

Mr. LeClerc: — Is Bill . . . is the abandonment, you're saying

that the abandonment's not an issue. And I am asking you, taking the evidence that both sides have said that this is an issue from the year 2000, do you still stand that it's not an issue?

Mr. Hubich: — What I'm saying is that your proposals relative to abandonment are problematic. I'm not saying anything about the existing Act. I'm saying that the proposals relative to abandonment that you've introduced that say that an employer can request a union be decertified after three years of abandonment is a problem.

Mr. LeClerc: — Thank you.

The Chair: — Thank you, Mr. LeClerc. We're close to the end of our time. I'll entertain one questioner from this side. Mr. Iwanchuk.

Mr. Iwanchuk: — Thank you very much for your presentation. Mr. LeClerc has said that he does not feel mean-spirited. However I imagine if your organization was being wiped off the map, as you indicate, that people might feel that way. I would just wonder if you could just expand on the wiping them off the map, as you see it.

Mr. Hubich: — Well it's part of the ongoing legislative initiatives of this government relative to workers' rights to unionize and the establishment of workers' rights under the Canadian Constitution. I don't think that it's a coincidence that the only table that existed in the province of Saskatchewan that fostered co-operation between business and labour has been terminated by the Sask Party government. And that was the Saskatchewan Labour Market Commission, where business, labour, and government came together to work on initiatives of joint concern. That was first amended to remove the government's requirement to consult with labour about their appointments to the commission, and then it was unfunded and it ceased.

That is the kind of reality that the labour movement, that our unions, numerous of our 37 unions are dealing with. There isn't anything that this government has done on the labour file to support and to reinforce and to encourage workers to form unions of their own choosing for the purposes of bargaining collectively with their employer. And this one is no different, because it is brought under the guise of freedom of choice when that's not the objective. And the people who are calling for this are predominantly employer organizations that have nothing to do with unionization and whose primary objective is to destroy workers' rights to unionize. And that's where it's at. And so the legislative amendments here, if passed, will result in the demise of the construction sector unions.

I want to go back to one point that was raised by the previous questioner, and that was relative to construction rates of between 80 and 20 per cent. The reality is, and according to the information that I've been given by the construction trades, that when the previous government prior to the NDP [New Democratic Party] government changed *The Construction Industry Labour Relations Act* to allow double-breasting, the unionization in construction went to 5 per cent, and *The Construction Industry Labour Relations Act* has actually brought it up to 20 per cent by re-establishing the fact that construction unions are certified on the basis of trades as

opposed to double-breasting where companies form phony companies just to get around the need to have, to employee a unionized workforce. And so that is what we're talking about, when we're talking about the amendments that have been introduced by this government relative to Bill 80. There's no relationship to the workers' rights to unionize at all.

The Chair: — Mr. Stewart.

Mr. Stewart: — Since Mr. Hubich took the last question as an opportunity to make a speech and will use up a lot of the time of this committee, I wonder if I might be allowed another series of questions.

The Chair: — . . . five more minutes.

Mr. Stewart: — Thank you, Mr. Chair. I think, Mr. Hubich, you'll find tomorrow that the minister will tell you that there has been substantial consultation around this piece with all of the parties involved.

My first question is, in your view, Mr. Hubich, what defines an employer-dominated union?

Mr. Hubich: — You can read a decision from the Alberta Labour Relations Board that defines an employer-dominated union. I can get you the citation if you would like. And it's a case that was recently determined by the Alberta Labour Relations Board with respect to the Christian Labour Association of Canada. It defines an employer-dominated union and I'll provide that to you if you'd like.

Mr. Stewart: — That's a recent decision you say. So according to that, the SFL would not have had a definition until that decision came out. Is that correct?

Mr. Hubich: — There are other decisions that define employer-dominated unions, and I can provide those to you.

Mr. Stewart: — We'll move on then in the interests of time. What do you say to the 1,600 members of CLAC that reside within this province but cannot work here because CLAC can't work here?

Mr. Hubich: — They can work here, join a building trades union.

Mr. Stewart: — So what this is really about is forcing workers who are affiliated with unions outside of your sphere of influence to join the unions that are affiliated.

Mr. Hubich: — It's recognizing and respecting the historical establishment of the building trades and the contributions that they make to our community and our society. I think that it's not much different — at least in my view — that if you want to be a nurse in the province of Saskatchewan, you're a member of the Saskatchewan Union of Nurses which my wife is. If you're working in the unionized sector, that's the union that you join. And it's related to the occupation, and it's in recognition of the schooling that they take, and it's in recognition of all of those kinds of contributions.

This isn't simply an argument that is that narrow and that I

think that if there are need to look outside those established structures, that there's opportunity to look outside those established structures and to modify the regulations and rules around accommodation, but not in the face of an attack on an existing structure without due consideration for the history that established those.

Mr. Stewart: — Are you saying, Mr. Hubich, that CLAC members are not certified tradespeople because we've heard from a number of sources in these hearings that they certainly are.

Mr. Hubich: — And if they want to work in a unionized environment, they should join one of the established unions.

Mr. Stewart: — Well we're going in circles now, but clearly, Mr. Hubich, your interest is in protecting the dominance of your affiliates and not in the expansion of the economy of this province or in the freedom of workers to choose their associations.

Mr. Hubich: — Well I disagree with that assertion.

Mr. Iwanchuk: — Mr. Chair.

The Chair: — Mr. Iwanchuk.

Mr. Iwanchuk: — We've had presenters come here to present, and I take exception that Mr. Stewart, other than asking a question, would point out . . . We've all heard what the presenter has said. I don't think we need Mr. Stewart's summation for that and I find it highly irregular.

The Chair: — Thank you, Mr. Iwanchuk. I've made an observation actually over the last few days that there's no one guilty party in this room. I think we've had a little bit of the same from both sides of the committee room. So I would just caution all members to remember that everybody coming to present is our guest, and we should treat them as such and try and stick to the agenda in question and answer.

Mr. Stewart: — I'm finished with this witness in any event, Mr. Chair.

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

Mr. Yates: — Thank you very much, Mr. Chair. My question comes from your appendix II, *Negotiating Without a Floor*. On page 26, there's a number of references of CLAC collective agreements actually having provisions contained within them that are less than the labour standards in the province of British Columbia and that they in fact would have, after eight hours of work, a reduction in their regular pay by 20 per cent for hours in excess of eight hours per day or 40 hours per week. Could you, from your own references . . . Now this talks about a letter of understanding in 2003. Are those practices continuing today in CLAC agreements in Alberta and British Columbia?

Mr. Hubich: — I don't know the answer to that, Mr. Yates.

Mr. Yates: — Thank you very much.

The Chair: — Thank you, Mr. Yates. With that, we are well

past our allotted time. We did allow a 14 minute later start, so we are 14 minutes past that time. Just like to thank Mr. Hubich and Ms. Banks for coming, presenting today.

And we will take no recess. We'll just facilitate a change and invite our next guest to the microphone.

Mr. Hubich: — Thank you very much, Mr. Chair, and committee.

Presenter: Saskatchewan Council of Carpenters and Millwrights

The Chair: — Good morning to the Saskatchewan Council of Carpenters and Millwrights, our next presenter. And just a reminder of the roughly, very loose half-hour rule we've been using, we'll try and give you as much time as possible. We'll cut it a little bit into lunch and just ask you to introduce yourselves for the purposes of Hansard and committee knowledge.

Mr. Goebel: — My name is Kelvin Garry Goebel, and I'm the executive secretary-treasurer of the Saskatchewan Regional Council of Carpenters, Drywall, Millwrights and allied trades.

Mr. George: — Clarence George, business representative for the Millwrights Union, a proud member of the union since 1968.

The Chair: — Welcome gentlemen, if you will just carry on with your presentation.

Mr. Goebel: — Well I'd like to thank the committee for allowing us the opportunity to come here and present today and on a matter that's so important to us.

The Saskatchewan Regional Council of Carpenters and Millwrights welcomes this opportunity to respectfully provide its view on Bill 80 to the standing committee. We believe that important issues are best addressed through full and transparent discussion involving all stakeholders.

Arguably Saskatchewan's 8,000 building trade union members, their families, their local unions, and the CLR [CLR Construction Labour Relations Association of Saskatchewan Inc.] contractors are the stakeholders most affected by the changes proposed in Bill 80. It didn't serve the fullness of discussion to exclude those stakeholders from the discussion until after the second reading of Bill 80. But there is an opportunity for us to present our views now, and we welcome it.

The few building trades persons who were able to witness the opening submission tell us they were disquieted by what they witnessed. Firstly, the members of this committee — opposition members included — have less than a complete understanding of construction labour relations. That was apparent from many of the questions directed to Terry Parker of the building trades council. We don't mean to be unduly critical. Members of this committee wouldn't be expected to be intimately appreciative of every issue debated by the registered nurses' association or the society of astrophysicists either.

Labour relations in construction are pretty arcane stuff for the uninitiated. Our point is that there would be much merit in slowing the process so that our politicians and public can get all the information they need to, to reach an informed opinion on the subject. The law of unintended consequences will be invoked if we short-circuit the discussion.

The second disquieting impression is harder to articulate. It is the sense that government MLAs [Member of the Legislative Assembly] view us as a dreaded other, as some kind of enemy encampment or a sort of foreign presence, alien from the rest of the citizenry of this province. This perception of otherness justifies shunning the building trades and the labour movement in general when labour legislation is drafted. We cringed when we heard the words intimidate and intimidation in reference to citizens peacefully gathered on the steps of the legislature in hopes of witnessing the hearing of submissions. Many had travelled a long way and brought their families with them. They are brothers and sisters, fathers and mothers, friends and neighbours, and as authentically Saskatchewanian as any white collar worker or MLA. They deserve better than to be caricatured as unruly, as a dozen or so elected members who went out and circulated the crowd can attest.

[11:00]

Locals 1985 and 1021 are affiliates of the United Brotherhood of Carpenters and Joiners of America. In 2010 our 1,200-plus membership will celebrate the 103rd anniversary of the first UBC [United Brotherhood of Carpenters] local union chartered in Saskatchewan. This year is the 50th anniversary of the first Red Seal journey status ticket issued in Canada.

The UBC participated in the successful lobby for the Red Seal program, as well as *The Trade Union Act* in 1944, the eight-hour day, *The Occupational Health and Safety Act*, and *The Workers' Compensation Act*. Our members serve on provincial Apprenticeship Commission, three trade advisory boards, and curriculum and examination boards. Our members help build nearly all the production plants and many of the major buildings in Saskatchewan, including this legislature.

Areas of agreement. All the submissions to this committee agree that the construction industry is healthy and has enjoyed very robust growth since *The Construction Industry Labour Relations Act* was passed in 1992. Growth has accelerated in the last few years at an extraordinary pace even though most of the world is currently experiencing a deep recession. We all agree that growth will continue and probably peak in about 2014. The major break or ... [inaudible] ... is a shortage of skilled labour. Nearly everyone agrees that our industry has had very stable labour relations. There have been no strikes or lockouts since 1992.

Organizing by trade or wall to wall. The construction industry has been organized along trade lines since craft guilds built catholic cathedrals. Trade lines may be blurred in residential or small commercial job sites, but specialization of labour on large institutional and industrial sites is the pattern across North America, Europe, and elsewhere. Our apprenticeship and certification system is delineated by trade. SIAST [Saskatchewan Institute of Applied Science and Technology], SIIT [Saskatchewan Indian Institute of Technologies], and the

provincial apprenticeship board all follow the trade certification model.

In fact there is no other model. Any handyman can build a garden shed, but if you want to install or repair a turbine in a SPC [Saskatchewan Power Corporation] power plant, you will need well-trained, highly specialized millwrights. The jack of all trades, master of none model is simply inappropriate for the heavy construction that the building trades specialize in.

Unions that promote wall-to-wall organizing in construction do not have the experience, expertise, or commitment to the trades training model that we do. The unionized sectors' joint industry training committee, or JTCs, have always been the main drivers of apprenticeship. If Bill 80 is allowed to shrink the unionized sector and weaken our joint training committees, then one serious unintended consequence will be increased shortages of skilled labour.

Employer versus employee choices. We are not surprised that the 141 Merit shop contractors will likely have more opinions in avoiding certification by the building trade unions. It is, after all, an association of non-union contractors who hope to stay non union. The Merit shop association, the SCA [Saskatchewan Construction Association Inc.], and other wholly or predominantly non-union contractors already have 80 per cent of the market and would like to have it all.

We hope this committee listens carefully to the CLR contractors' association which exclusively employs unionized tradespeople. The CLR contractors need access to the unions' hiring halls to get enough skilled trades to build megaprojects and also to do the large shutdown maintenance projects that they excel at.

Nor is it surprising that alternate unions would like to pitch flag of convenience contracts to both non-union and signatory contractors, develop new streams of revenue, and find work for their newly idle Alberta-based crews.

But the government's assertion that Bill 80 will give Saskatchewanian employees new opinions is hard to swallow. If a non-building trade union is able to get voluntary recognition on a particular job site in Saskatchewan, it'll try to staff that site from a finite pool of trades persons. Those trades persons would have to join that particular union as a condition of employment. Freedom of choice is not really a live option. The government says it deplores the status quo because tradesmen are required to work either non-union or for the trade unions designated by *The Construction Industry Labour Relations Act*. Why is it better to force tradesmen to want to work on a Saskatchewan job site . . . join an unfamiliar union based in Alberta or BC that has less history and allegiance in the industry than do the existing designated building trades?

Bill 80 is all about new options for the employers. There is nothing in it that offers Saskatchewan-based trades persons anything more than enforced membership in a union they know little or nothing about.

We emphasize that the apprenticeship system, which tradespeople work under today, derived from the traditional European guild system, we believe that workers who are well

trained in their specific trade will effectually be more safe and productive workers, thereby providing quality workmanship and value to the client. By simply saying that workers who are already skilled in one trade can provide more productivity by performing tasks of another trade is very short-sighted and ill-conceived. The net result would be a workforce that is deskilled due to the fact of non-participation in the traditional apprenticeship programs.

Through our joint training committees, we only adhere ourselves to the apprenticeship process. But upon a trades person reaching their journey status, we continue providing additional training through updating and upgrading programs. The process is similar to specializing in a specific field or enhancing one's ability for employment by keeping oneself current in an industry that is constantly evolving.

Like the other building trade unions, we devote huge resources to apprenticeship and skill-training programs. Our members are trained by our most skilled and knowledgeable craftsmen that pass on decades of their personal expertise. We have two training centres in Saskatchewan where this is done. A member of your committee, while he was Labour critic, toured our Regina facility and was well impressed at what value we added to our workforce.

It was at the insistence of and persistence of the craft unions that the apprenticeship system came into being as we know it today. If we are further removed from the process by losing ground in terms of our presence in the industry, then the entire apprenticeship system is at risk. If the future of the construction industry looks only to multi-skilling or cross-crafting, what legacy have we left?

Abandonment. There has been a lot of misinformation about the so-called abandonment issue. Let's be clear. There was no cases where the United Brotherhood has been deemed to have abandoned their rights or their members. This proposed provision merely lends itself to abuse by an employer who chooses to do so. They simply could operate as project managers for a specified period of time and not technically employ any tradespeople directly, but rather through subsidiary companies that were previously established. Or they could retreat to another province and operate there until time lends itself to implement the abandonment option.

Many of our contractors are not based in this province, and some acquire work here on a sporadic basis. Until now they continue to recognize any and all certification orders they had on them, some dating far back into history.

However, now with the passage of this proposed legislation, all that is in jeopardy and will surely result in bringing disharmony to an industry. Why would a fair union employer entertain the thought of bidding work in a province that has just destroyed its ability to compete on the same level he has in the past?

Project or site certifications. Here again is another avenue whereby the certification process will become frustrated and convoluted. Our experience in the past was that this did not serve the interests of the worker at all. History tells us that by the time a certification order came through, that in many cases the projects were all but concluded and ultimately no real

success for the union. The contractor simply moved on to another project with a new group of workers, and the organizing efforts started anew. Again to a shallow victory. Having this provision only serves the need of one part of the equation, that being the employer and certainly not the worker.

Stability and continuity. Saskatchewan has enjoyed remarkable stability in construction labour relations for the past 17 years. Bill 80 takes us into uncharted waters. It is so different from the status quo and from the labour relations system of other provinces that it will probably take years for the Labour Relations Board to establish how it works. The voluntary recognition aspects invite a legal challenge from the building trades. No one knows how different unions will work together on the same site. Where will there be conflict?

One advantage of the status quo is that every construction collective agreement expires on the same day. Under Bill 80, there is the potential for many unions with many differing agreements with different expiry dates. This has the potential to destabilize our industry.

The proponents of these changes would like you to believe that this is insignificant and evolutionary in change, that this is trivial and minor stuff, or that this should not provide cause for disruption in the industry. It is not insignificant or purely evolutionary. This will shake the very foundation of what was built over the last century in our province. If a building was constructed with a design flaw in its foundation and later collapses, the building did not fall as a result of evolution, but rather as a result of the shortcomings in its design. Our belief is that, should this legislation be passed in its current form, the foundation of the construction industry in Saskatchewan will fail, and the outcome will be tantamount to a disaster.

Recommendations. Bill 80 is unworkable in its present form. If the government can be more specific about what perceived problems it is trying to fix, we will do our best to assist it.

We agree with nearly every point made in other building trades' submissions. We hope the government will refrain from picking sides and try to find middle ground that all the stakeholders can live with.

And in conclusion, the organization which we represent holds the view that we are a legitimate and an integral part of not just the construction industry, but society as a whole. We pull wages up for not only our own members but for other workers as well. We make workplaces safer. We civilize the employer-employee relationship. We humanize the job site. We save lives and build careers.

It is a tough sector of the economy in which our members work. They raise a newly framed wall in a stiff December wind, place shingles during a bone-chilling autumn day. Go back and operate power tools following a rainstorm and then tell me it isn't a tough job. Our people would be likely subjected to poor rates of pay or dangerous working conditions or to unions that have minimal experience in this sector. If you push unions to the margins, force us to the periphery, we believe you have deprived society of a very worthwhile voice that deserves to be heard — one that is fundamental to be part of a healthy, vibrant, and democratic society.

Let's resolve to hear one another rather than hurl invective back and forth. Let's opt to mutually respect rather than finding excuses to engage in conflict. Let's attempt to co-operate in seeing the way ahead more clearly and proceeding along it with the assurance that we are both determined to secure a better place for the working people of Saskatchewan — our sons and our daughters. Thank you.

The Chair: — Thank you, Mr. Goebel, Mr. George. Mr. Yates.

Mr. Yates: — Thank you very much, Mr. Chair. My question has to do with the apprenticeship system and what is perceived by many in the country as a significant problem with the apprenticeship system today in British Columbia. And my questions have to do with, do you see these changes resulting in similar problems in our apprenticeship system here and changes to apprentices in Saskatchewan and if you could explain how.

Mr. Goebel: — Well as indicated, on every trade board you have labour representation, and that labour representation primarily does come from the respective trade union in that industry specific to the construction trades specifically. And if we're moved off of the picture and government takes the notion that we have to speed up the process in which skilled workers are trained to meet the demands on an expedited basis and if we're not there to watch and make sure that the stopgaps are in place, that the proper administration and training is delivered . . . And have you seen what's happened in BC with, you know, I guess the abrogation of apprenticeship training where it says let the industry do their own? It's doomed for disaster.

Our industry works fundamentally on a mobile workforce, thus the Red Seal certification. And if the Red Seal is in jeopardy and workers are being trained in certain specific tasks, as is promoted by certain sectors of the industry, you're not developing a well-rounded, trained work person for the industry where that personnel can be mobile from one province to another. They can only be perhaps specialized in a certain field of the industry. It's not serving the interests of the clients that we work for, the plants that we're working in, the equipment that our tradespeople are installing. You don't want to have folks working on projects and specifically equipment that cause ultimately millions of dollars of rework.

[11:15]

Mr. Yates: — Thank you very much. My second question has to do with the issue of abandonment. And I believe in 1984 we saw a situation in which the construction labour relations Act was scrapped and resulted in double-breasting of many companies. Could the retroactive enforcement of abandonment clauses result and have the same outcome as the scrapping of the Act and double-breasting in 1984?

And my question is . . . I'll give you a little more detail. In 1984 we had a situation where 80 per cent of the workforce was unionized. Some of those companies double-breasted then chose not to operate here. Their collective agreements, if they were certified here, would have remained in effect, and over the years they may have or may not have operated in some cases. Today companies that have operated — perhaps up until two or three years ago, no longer; for whatever reason, they're either subcontracting or have operated elsewhere — come back and

they can claim abandonment of a collective agreement which could result in a further de-unionization of the industry. Is it designed, or in your view, could it in fact have the same effect?

Mr. Goebel: — Not could. It will. What happened in the '80s — and there was some reference made earlier to the 80 per cent, 20 per cent flip, and the rotation of that situation as we see it today — that did not happen overnight. That happened at the beginning in the '80s when the initial construction industry labour relations Act was repealed in the early '80s, and there was a de-unionization. We had 2,400 in our membership in 1982. During the years of the '80s we went down to 250 when the spinoffs and the repeal of the construction Act came into effect.

In '92 when the current construction Act came into effect, we had to grow our industry back from ground zero. There were some unions with their charters in the basements of their houses. We had to grow back from nothing. And now when you talk about 20 per cent, you're right. We're at 20 per cent now from nothing. And now that we're starting to grow again, there seems to be a force on the outside that's trying to make sure that that stops.

Mr. Yates: — Thank you very much.

The Chair: — Mr. LeClerc.

Mr. LeClerc: — Thank you for your presentation. To follow on Mr. Yates' question on this apprenticeship, he quoted BC. But we have, my understanding, CLAC in every other province other than Quebec. And BC is the only one that seems to have problems with the apprenticeship because they've left it to the industry to judge or make its own.

But my understanding from some of the other witnesses on both sides of the issue, pro and anti-Bill 80, is that we have very strong apprenticeship legislation in this province. You have stated that you in fact sit on the provincial Apprenticeship Commission, that the apprenticeship and certification system, as delineated by trade through SIAST and SIIT and the provincial apprenticeship boards, all follow the trade certification model. In fact there is no other model for us to go to.

So it would seem to me, again from my understanding from the other witnesses and from your own presentation, that the apprenticeship issue is not really an issue if you have strong apprenticeship legislation which we currently have which is in effect put into place by the previous government and supported by this government, and that it's certification not only through legislation but through SIAST and SIIT and some of the other certifications, and that there doesn't seem to be — other than BC which does not have our strong legislation or certification process — doesn't seem to be a problem in the other provinces with this. Is that correct, not correct?

Mr. Goebel: — What I'm referring to is in the apprenticeship system, whether it's in Saskatchewan, Alberta or whatever province you're dealing with — in Saskatchewan in particular — the majority of the trades are what we call voluntary trades. You don't have to be a registered apprentice to operate in that particular craft or field. There are four compulsory trades in the province wherein, after six months of working at that specific

task, you have to be a registered apprentice in that system. The rest are what you call voluntary.

So you can effectively have a contractor in what we call the voluntary trades — the carpenter trade is one of them — where you don't necessarily have to have a Red Seal ticket journeyman carpenter building the whatever it is you're building. You could have one. You can have the foreman having one, and the rest could be, some could be registered apprentices. The rest are listed on your employee list as helpers. So how does that feed and support the proper apprenticeship system when everyone of our members in one form or fashion is connected in the system?

We're the ones promoting and making sure that the apprenticeship system is trying to stay strong. Not to find workers tomorrow to help us out and complete the project and when the project's done, on they go. If they're in the system and to continue their training, we promote that they go from level to level until they ultimately receive their journey status. And then from there, we do upgrading and updating programs to be specific in certain sectors that they want to specialize in or to stay connected with — again the evolving changes in the industry. The millwrights spend tons, tons of time and money on that.

Mr. LeClerc: — Again, sir, I'm not quite understanding how this would disband, this piece of legislation would abate the apprenticeship legislation that we have currently in place or dismantle our skilled workers. It certainly wouldn't stop your union and members from continuing. You sit on these panels. There is separate legislation for SIAST and certification models that we have. I'm trying to understand sincerely how this would devastate our apprenticeship because it hasn't in the other provinces, other than BC which doesn't have our model in this province. And so I'm trying to find out because some of the other witnesses have said it wouldn't as long as we have the proper legislation in place and certification.

Mr. George: — Yes, I've had the privilege of being in the construction industry, like I said, from 1968. And during the '80s, I worked as an organizer in some of the Merit shop and other jobs. Whereas the outline on the jobsite was one journeyman and maybe 10 helpers for that journeyman where he'd be the skilled trades and giving directions to the other people on the job, whereas on a building trades job, you'll find one journeyman and an apprentice, where . . . and this is the part, I think, you're going to miss here if you do this stuff . . . is that the mentorship program . . . We've got a strong apprenticeship program where 20 per cent of the apprenticeship's knowledge is gained per year at the technical institute, but it's the 80 per cent is the mentorship of the journeymen to the apprentice that carries on the trade for generations.

And this is what happens to the system. You can do the job cheaper by having more helpers on the job, but you're not passing on that specific knowledge of each individual trade. And when you have some sites where a guy is running a forklift for example one minute and then doing a bit of other stuff the other minute, they're not learning the trade. You know, each trade, probably 40 per cent of the stuff on the bottom end, anybody can do. But after that, you learn specific skills to that

trade. And that's what we're missing right now.

Right now what's happening in our organization — the millwrights in particular — we've seen what was coming down the road, and we built our membership up. We brought in a lot of young apprentices that took pre-employment. And now I got apprentices sitting on the list while we're drawing people from out of province. And this is having a devastating effect on their families.

And I understand you're involved in social issues, and you understand that a working person that's making a decent wage in the province of Saskatchewan is better than drawing all these out-of-province sources to come in and literally . . . I don't mind competition. I'll compete with anybody that's on a level playing field because my guys are better skilled, and they are productive. And that's one thing we assure in our union hall is the productivity and the skill of our members.

And when they become journeymen . . . We don't only provide journeymen to the construction industry. I've got ex-members in the potash mines, in the power stations, in just about every industry in Saskatchewan. We're providing the industry . . . We spend a lot of money upgrading skills. We go beyond our journeymen skills; we upgrade you. You get your journeyman's ticket and you just start learning the trade. You're probably another five to ten years before you become really proficient at it.

And this is what happened in the industry in the '80s when this sort of situation took place. You'll find a gap of probably 10 years in between our journeymen. Why? Because our apprentices couldn't get hours in, and dedicated hours, to their trade. And this is what worries us. This is what is a great concern to these young people that we brought in and just great young people that are learning a trade and want . . . and Saskatchewan people, and Saskatchewan people.

Mr. LeClerc: — Thank you, sir, for your answer and one last question. You touched upon competition, and my understanding with similar legislation in the other provinces that have allowed CLAC and CEP to operate, it hasn't disbanded any of the other unions. None of the other unions have stopped operating. It has operated in competition, the same competition that you have with 80 per cent of non-unionized workers. And competition for me, you know, I am a worker and I've worked at least 20 years of my life in the charity field and so I count myself as a worker. I take some resentment of saying that the people who aren't in the unions aren't workers, but we are.

So you know, when we look at the competition piece, running a charity I competed against government, government dollars, by running good operations, slim operations providing good outcomes. Every charity that I established in three provinces, including two private schools, didn't go out of business. They flourished because of that competition.

And so I say to you — you've said it yourself — that is the biggest reason to employ your union on a job site, because you, in competition, provide the best workers, fast, routines, safety, all of those issues. And yet in your presentation, you've said that the major break on a growth of any economy is the shortage of skilled labour. We have a shortage of skilled labour

today. That is one of the issues that we are dealing with as a government, a shortage of skilled labour, and that will hurt our economy.

We have people that live in this province but have to work outside of this province because of their membership in CLAC. That takes away from them actually working within our province. You say that we have newly idled Alberta-based crews sitting waiting to come into this province to help us with the skilled shortage.

And so I'm not sure providing this choice with the issue of competition without disbaring your unions, because this legislation is not stopping your unions from operating, isn't stopping the apprenticeship piece to it, isn't stopping the professionalism and the qualifications of your worker and people choosing to choose you or to choose another union. So I am having difficulty understanding how this piece is going to somehow solve our labour shortage and solve the problems that we need to do to keep our economy rolling and is going to solve the problem of 1,000 people living in this province but can't work here but are working elsewhere and residing here.

And so I guess my question is, is how does Bill 80 stop all of the things that I have just said and, in your own thing, dealt with the competition issue and the shortage of skilled labour within our province? How do we solve the problem of skilled labour?

[11:30]

Mr. Goebel: — I think I'll go back to . . . Going back to the '80s and my comments of when I spoke of the de-unionization of the construction industry in the '80s. And the net effect of that was, I know in our particular trade, in the carpenter trade during those years, the reduction in enrolment in apprenticeship in our trade was down 60 per cent. We are now retiring out. The groups of people that were working in the '80s are retiring out. During the '80s new tradespeople were not getting indentured. Work was there. It was not driven by the involvement of the trade unions, so therefore it didn't seem to be so important.

So these workers through the '80s and the early '90s and now we're, again I'm saying we're moving out of the lower levels of the ladder and we're coming up to maintain around 20 per cent of the industry, and apprenticeship is starting to return, the enrolment and those kind of things. And if we are again, as indicated in here, relegated to the back row and our involvement in the industry is much diminished, so too will the skilled training as what Clarence here has been speaking about.

Mr. LeClerc: — Thank you, sir, for your presentation and clarity of your answers.

The Chair: — Thank you, Mr. LeClerc. We're running . . . well we're past our time. We have one more question on this side, and I'll entertain one more from the opposition side before we break for lunch. Mr. Hart.

Mr. Hart: — Thank you, Mr. Chair, and thank you for your presentation. In the interests of brevity, I'll get to the question. You mentioned that . . . Well I should first mention that you were very forward in your assumptions as far as the understanding of committee members. You assumed correctly,

at least in my own situation, as far as the lack of understanding of all the intricacies of labour relations within the construction industry, but what really the question that I have for you is in your recommendations you state that you would help in trying to find middle grounds — and I'm quoting — “and try to find middle ground that all the stakeholders can live with.”

I wonder if you could expand on that. You're one of the few presenters that have talked about middle ground, and I don't have the understanding as to where this middle ground may be. And I wonder if perhaps you could expand on what you mean by that statement.

Mr. Goebel: — Well where that geographical spot is right now, I can't tell you. But up until now no one has asked us what we thought of this prior to introduction of this legislation. So I would suggest that's where we start, is doing what we're doing now. Let's get together on this and let's understand, let's truly understand what the implications of this legislation will be.

Mr. Hart: — I just have one further question. You mentioned that you, you know, do a lot of work in training of your members and that sort of thing. In your organization, do you have specific initiatives to involve First Nations individuals in your trades? And if so, could you just briefly explain what those initiatives may be?

Mr. Goebel: — Well we do. I'm not going to disclose what percentage of the membership, of our membership is Aboriginal. I know it's in the double digits. Tomorrow we have a meeting with a First Nations group that we have been meeting with over the last few weeks and we already have signed a partnership agreement with them in this aspect of training and job placement opportunities for their members.

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

Mr. Iwanchuk: — Thank you very much for your presentation. I just want to return a bit to this freedom of choice, and because you point out that Bill 80 is all about new options for employers. Now I thank you very much for your explanation on the apprenticeship. I think I myself have gained a little bit on that in terms of understanding how intertwined union membership is.

Have you thought through at all, because you talk about reducing membership now . . . Could you maybe expand on how that will reduce your membership, existing membership if Bill 80 goes through?

Mr. Goebel: — Well again what we're dealing with, as talked about earlier, is that with the increased workload in the province, there'll be perhaps more competition coming in from out of province, primarily out-of-province contractors bidding on work here. There is, as indicated, a finite group of workers, whether you come in from out of province or from the local area, if a project is being built and it's under those conditions of one the alternate unions. And tradespeople are residing in that local area, members of building trade unions. They can only perhaps hold on to their principles for so long until the collectors start coming at their door and say you must pay up. And they will go working for that contractor. There's no freedom of choice there for that particular worker.

And again primarily our experience tells us that these projects, before the shovel goes in the ground or the contractor shows up, that the arrangements are already made in terms of who the union is going to be there and what the terms and conditions of that agreement are going to be without any worker input prior to even being hired. So again where's the freedom of choice there? Not for the worker.

Mr. Iwanchuk: — Thank you very much.

The Chair: — Thank you, Mr. Iwanchuk. Well it's eight minutes past our normal recess time, so I'd like to thank Mr. Goebel and Mr. George for presenting, once again. And we will take a recess till 1 o'clock sharp and reconvene here for the next presenter. Thank you, gentlemen.

[The committee recessed for a period of time.]

[13:00]

The Chair: — Good afternoon committee members. We will re-convene after our lunch break. We are here for consideration of Bill No. 80, *The Construction Industry Labour Relations Amendment Act, 2009*. Any presenters that have brought written submissions or are submitting to them to the Clerk for distribution to committee members, and they become public. The public can view those submissions on the Legislative Assembly website at legassembly.sk.ca/committees.

I remind the public we have limited seating to 25. We do have ample room again, as well as media seats. And I encourage the public to attend, as this is public and open consultation process.

Presenter: Christian Labour Association of Canada

The Chair: — I welcome the presenters. This afternoon our first presenter for 1 o'clock is the Christian Labour Association of Canada, and I welcome them. And I just ask you to introduce yourselves for the purposes of Hansard and for the knowledge of committee members.

Mr. deJong: — Paul deJong.

Mr. Bent: — I'm Brad Bent.

The Chair: — Welcome gentlemen. You can go ahead with your presentations.

Mr. deJong: — Thank you. Well, Mr. Chair, and members of the Human Services Committee, my name is Paul deJong, and I am the Prairies director for the Christian Labour Association of Canada, also known as CLAC. With me today is Brad Bent, CLAC's Saskatchewan regional director. And on behalf of CLAC, Brad and I thank the committee for the opportunity to participate in these public hearings on Bill 80.

Well CLAC has been mentioned many times during the course of these hearings, and today Brad and I would like to provide you with information on CLAC's history, just some background. We'd like to talk a bit about the principles under which we operate and we'll detail some of the accomplishments that we've had across Canada where we do our work. We'll also try to correct some of the misinformation about us and dispel

some of the myths and fears about the CLAC. And finally we will talk about the benefits that Bill 80 and CLAC will bring to Saskatchewan.

Let me begin by answering the question, who are we, who is this organization, CLAC? We are an independent Canadian labour union representing over 50,000 workers in a wide range of industry sectors including construction, pipeline, health care, retail, transportation, manufacturing, and mining. The CLAC operates out of 12 regional offices and is structured as a national organization of affiliated union locals in British Columbia, Alberta, Manitoba, Ontario, and the three territories.

Now the only reason that the CLAC is not established with union locals in Saskatchewan is because the current legislation has denied any union, other than the building trade unions, the right to represent Saskatchewan construction workers. We have been ready and very interested in representing Saskatchewan construction workers for many years, but the legislation has prevented us from doing so and has prevented Saskatchewan construction workers from choosing CLAC as their bargaining agent.

CLAC provides its members with a variety of benefits: health and disability insurance, a pension plan, group RRSPs [Registered Retirement Savings Plan], apprenticeship subsidies, training grants and courses, career services, scholarships, and a strike fund. We're also involved, as much as we can be, innovative in the area of drug and alcohol because that's a critical area particularly in the construction industry and others.

CLAC's competitive advantage can be summarized as follows. We are a modern, progressive trade union with an approach that uses an interest-based model of labour relations, a multi-craft or wall-to-wall model of bargaining and certification allowing all employees of a single employer to be represented as a community; effective, responsive representation for workers from professional and well-trained and dedicated union representatives; and a highly competitive benefits package for our members that often becomes the industry standard but that is also affordable; and finally, quality training and safety programs for workers where and when they need them, usually free of charge.

Over the past 57 years, CLAC has proven itself across Canada as a leading, independent labour union.

In British Columbia, for example, CLAC members have helped build some of the highest profile projects, including the convention centre, the Sea-to-Sky Highway, Olympic skating oval, athletes' village, and the Canada Line. In Alberta CLAC has over 20,000 members and is the leading labour union in building the enormous oil sands projects. In Ontario CLAC is one of the largest health care unions, representing thousands of workers and health care facilities. And in fact, CLAC even has over 4,000 members from Atlantic Canada working primarily in Western Canada, and we have had many requests from these workers to expand into the Maritimes, and we'll certainly consider that possibility.

Nearly 1,000 of our members are from Saskatchewan, and they are currently working elsewhere in Canada, outside of this province. Now these folks dream of the opportunity to return to

their home province and to help build a stronger economy and prosperous future for all Saskatchewan residents. Bill 80 can make that dream a reality. To support that dream, CLAC is opening an office in Saskatoon.

I'm going to now ask Brad Bent, CLAC's Saskatchewan regional director to make some remarks. Brad.

Mr. Bent: — Thanks, Paul. I've been observing these hearings and heard quite a lot of misinformation about CLAC. I am pleased that I now have an opportunity to set the record straight. I want to address some of the concerns raised about CLAC by those who believe Saskatchewan is better served by maintaining a building trades monopoly on construction labour services. I'd like to address the most misleading and troubling tactic first made by some speakers who speak of a safety issue.

We've heard these arguments throughout these hearings, made without any factual basis in an attempt to instil fear rather than a rational debate about public policy. I say today unequivocally that the claim is simply not accurate. CLAC considers safety and training to be paramount issues. We serve on a number of industry and government boards and committees in an ongoing effort to keep our workers safe and well trained. CLAC's workers are certified in the same way as building trades workers, not by CLAC itself but by the appropriate training institutions and regulatory authorities.

The second myth that needs to be addressed is that Bill 80 will somehow result in fewer trained construction workers. Well I can tell you that CLAC has negotiated millions of dollars in training funds from employers through our collective agreements. With these dedicated funds, CLAC has made major investments in building state of the art training centres in both Alberta and British Columbia offices, and we have substantial initiatives under way in our Ontario offices.

CLAC offers its members a wide range of courses including construction safety, heavy equipment operator, workplace safety, hazardous material handling, crane operator, first aid, construction rigging, fire safety, forklift operator, and excavator operator — just to name a few. Through these training centres, CLAC has trained tens of thousands of workers.

And CLAC has placed particular emphasis on working with Aboriginal communities to provide skills training to their members. We are using a holistic approach that integrates indigenous world views and traditions. CLAC is also involved with training initiatives such as Women Building Futures which helps to address the chronic under-representation in skilled trades of women and new Canadians.

CLAC is a proud sponsor of Skills Canada competitions held across Canada, including the national and the world championships. CLAC is fully prepared to bring its safety and training experience and resources to Saskatchewan to help train workers in this province and give them the tools and opportunity to better benefit from your growing economy. We want to be part of Saskatchewan's future.

This committee has heard a lot of stories fabricated to scare you about the so-called turmoil that Bill 80 will create if there is competition in the construction sector in Saskatchewan. The

real story is that even with today's monopoly, the building trades' share of Saskatchewan construction work — by their own admission — has fallen to just 20 per cent. The fact is there is no turmoil in British Columbia, Alberta, Ontario, or the territories where CLAC members work in construction. There is competition. There is employee free choice to be represented by a union or not and, if unionized, by the union of their choice.

CLAC's approach to worker advocacy, which has become so popular to thousands of Canadians, is to bring employees and employers together on common issues — those issues being working conditions, training, health and safety — because that gets the best results for the workers. But let me be absolutely clear. When it comes to core issues such as collective bargaining, grievances — CLAC's diligence, preparation, perseverance are respected by employers and appreciated by our members.

CLAC's all-employee or wall-to-wall model of multi-crafting in construction provides much needed flexibility for our members and for their employers. It's important to note that having construction tradespeople working in an all-employee bargaining unit does not remotely compromise safety, nor does it affect the integrity of separate trades designations. Among the benefits of the wall-to-wall certification and bargaining is that employees can function as a single employee community instead of individual craft groups.

There's much more focus on effective workplace resolution. Work can be performed in a more integrated and efficient basis. The CLAC's all-employee model, we can facilitate and make practical the attainment of multi-tickets to substantially improve the prospects of workers' employment.

In summary, CLAC brings a new, proven and successful model of construction labour relations to Saskatchewan. I'll now hand it back to Paul to conclude.

Mr. deJong: — Thank you, Brad. Members of the committee, in our opinion, Bill 80 is simply a matter of development of good public policy. It's fair. It's reasonable and reflects Saskatchewan's changing labour situation and growing economy today.

The current legislation was developed at a time when the only unions involved in construction were the building trade unions. However in the last 20 years, industrial-based unions like the CLAC and other unions have expanded. What Bill 80 does is to properly recognize the changed reality of the construction landscape as it exists today.

Many speakers opposed to Bill 80 have stated that there is no need to fix what isn't broken. They want to preserve an unfair monopoly. They don't want competition, and they don't want construction employees to have a choice. For the building trades unions and their system of registration, Bill 80 maintains the status quo. It does not take anything away from their structure. But Bill 80 recognizes that there are fundamental differences between the building trades' registration system and the wall-to-wall model of industrial unions.

Bill 80 does not try to shoehorn industrial unions into registration, thereby disrespecting the different structures and

making it impossible to operate with distinction. Bill 80 actually brings Saskatchewan's legislation in line with other jurisdiction. We mentioned before the areas in which we operate. Ontario, the *Labour Relations Act* in Ontario recognizes CLAC as a union in construction and other sectors, Manitoba same. Alberta, the Alberta Labour Relations Code recognizes CLAC as a union in construction, in B.C. as well. So across the country, we see a pattern which is broken unfortunately currently in Saskatchewan.

Bill 80 recognizes that there are different models of labour representation which need to be accommodated within the regulatory framework. The new legislation recognizes that if craft workers of a single employer want to exercise the choice to be represented as a whole community, they should be able to do so and represented by the union of their choice.

Competition is an important part of our society. Just as companies or corporations compete in the marketplace and political parties compete in the public sector, so should there be fair competition amongst unions. Bill 80 will allow Saskatchewan construction workers to make the best kind of choices, the kind of choices that competition allows. Competition is not only healthy; it is inevitable.

Another aspect of establishing good public policy is to address developments in law. Back in 2008 the Supreme Court of Canada decision involving health services of BC stated that employees should have an unfettered and free choice to not just join any union of their choosing but to also have that union represent them in collective bargaining in order to gain a collective agreement. Bill 80 properly corrects the constitutionality of Saskatchewan's labour laws in that respect. We submit that the objective of lawmakers should be to enact laws that are for the common good, laws that do not protect one group to the exclusion of others.

To conclude, CLAC is pleased to have the opportunity to bring its progressive model of labour relations to Saskatchewan. CLAC is interested in providing value to Saskatchewan workers, and this Bill provides them with the freedom of choice. Our union is not interested in creating a monopoly for ourselves. The CLAC's experience in the oil sands with open site workplaces shows that CLAC, building trades unions and workers, and non-union workers can work together productively.

By recognizing the importance of labour competition, this government will ensure that it can create and sustain economic growth for all the residents of Saskatchewan. Bill 80 will help develop an economic structure that will create thousands of well-paid jobs, build much-needed infrastructure, and ensure fair value for the taxpayers of Saskatchewan. Saskatchewan's potential is limitless and its future incomparable. CLAC wants to contribute to that future and help maximize Saskatchewan's potential.

Now although CLAC has been asking for years for the opportunity to compete in Saskatchewan, we would like to make it clear that we were not consulted on Bill 80. However now that the government has introduced this Bill, CLAC finds itself in full support.

Thank you very much for the opportunity to participate in this public hearing. We would be happy and look forward to the questions that committee members may have.

[13:15]

The Chair: — Thank you, Mr. deJong, Mr. Bent. We'll entertain questions from the floor. Mr. Iwanchuk.

Mr. Iwanchuk: — Just thank you very much for coming here and for your presentation. Now we have heard a lot about your organization, and it's good to have you here so we could question you directly about some things.

We had Mr. Brown from Ledcor, I don't know if you know him, he made a comment here which perhaps you can explain. He said we would come here and bring CLAC. And I guess my question — you know, bear with me here — but my question was because we're always talking about freedom of choice for employees, and my question back to him was specifically I thought it was the employees that chose. So I just wondered perhaps you could explain this to me how this works.

Mr. deJong: — It's a fair question, and it's easy to answer because Ledcor has for many years — in fact, well over the last decade and two decades — has had a collective bargaining relationship with CLAC. And that began in the original days in pipeline, that was the first time. In fact I was a field representative at the time, and I organized the first batch of pipeline workers for Ledcor. And when we did that, these workers who had been prior to that time working non-union said, this is good; this is the kind of advocacy, the kind of union representation that we like and want. And then there was some bleed-over because the pipeline workers would often work in road building, and then we signed up the road building sector — a separate collective agreement.

And that began to expand through Ledcor, and to the point that now when Ledcor opens another division to deal with a particular kind of element to the construction or in another jurisdiction, the workers who are hired by them say, you know, CLAC has represented the workers of Ledcor workers across Canada really. And we get that phone call and we move forward.

So when Tom Brown — and I can't speak for Tom Brown — but when he makes a statement like that, that's completely consistent with the kind of pattern that we've had, where the workers that they have say CLAC is part of our world, and because Ledcor has been organized completely across all of its operations by us.

Mr. Iwanchuk: — And they say, well, they're prevented from coming here. And you talk about the competition and all the rest of that from coming. So now they'd also said they had a hire-for-Saskatchewan policy, so I am kind of confused that even from what you have said that you simply come or they give you a call and you're there. Where is the employee choice? How does that work? How can they phone you? I mean, that's quite contrary, I guess, to what we understand here in Saskatchewan. And maybe we're . . .

Mr. deJong: — Yes, you're asking me to comment on

somebody else's statement. But the way that we would work is indeed that we would hire locally. I mean, that's one of the things that we were saying to this committee and to our current members, most of whom are employed elsewhere, is that we're going to have an opportunity to now finally employ you in your own home province. And so we have workers all across this province who've been saying to us, when are you guys coming here?

And the only way we can come here is if there's an employer that we can sign a collective agreement with. And so we anticipate that the moment that any of our companies that we're currently dealing with in other provinces set up shop, so to speak, in Saskatchewan, that the workers that we have already residing here will say, here's an opportunity for me. So to us it just simply is a matter of we have members; they're here. They'd love to stay and live and work in the same province that they do.

Mr. Iwanchuk: — Okay. So the Progressive Contractors came and they said, CLAC, we work with CLAC — they do not have, is it 23,000 or 26,000 members standing at the border waiting to come and work here. Would you agree with that kind of statement?

Mr. deJong: — I'm not sure. Can you just repeat that?

Mr. Iwanchuk: — Well, basically they said to us that there are not 23,000 or 26,000 CLAC members standing at the border waiting to come and work here if you change this legislation. Basically the discussion was coming from that there is a shortage of workers. This will in some way assist that.

Mr. deJong: — Yes, I'm trying to follow the thread of a conversation I wasn't privy to, but as I said, our emphasis always, in all the areas that we work, is to make sure that we work for the members that are living locally first. And then if we can't supply the needs of that particular project with local workers, then we'll go further and further abroad.

And so if there's a job for example in Fort McMurray, we'll try to hire locally first. And if you need 500 people, and there's only 100 people locally, then we'll go to broader and broader circles of our catchment.

So if one of the companies that we deal with here gets a job, and we certify that company using our Saskatchewan workers, there's very likely a possibility that the needs of that job may be larger than can be met with that population of local people. So yes, there may be some people who flow from province to province, and that's just simply to meet the needs of this province in terms of its increasing number of construction projects.

Mr. Iwanchuk: — Do workers, when they're finished a project and it's over, are they still members of CLAC?

Mr. deJong: — Yes.

Mr. Iwanchuk: — How does that work?

Mr. deJong: — CLAC membership is like other unions, conditional on payment of dues. And so when a person is laid

off, obviously they've been paying dues while they were working, and so they will continue to be members for six months unless they pay dues, if they're not working, from their own pocket to maintain membership in good standing. So they'll continue to be members as long as they are either (a) working under a collective agreement, or (b) paying money to keep their membership current.

And while they are doing that, their names are registered in what we call an employment referral or a dispatch system. It's a little bit different than the building trades hiring hall, but the concept is the same in the sense that we are looking to provide opportunities for those people when they're laid off and place them on jobs that come along.

Mr. Iwanchuk: — Now with the Alberta economy and with the Saskatchewan economy and British Columbia and a lot — because we were talking, a lot of discussion has been around labour shortages — people have also continuously stated that we are getting workers from the same pool. And so in fact you've been raised out as some sort of silver bullet that will kind of come here and bring all these workers. As you say there's a thousand people here, and that's not a small number of people that you know will work in Saskatchewan. Now if I could ask you that, how do you know so personally what these thousand people would do?

Mr. deJong: — I can't say literally what they'll do. I mean, they're free as all of our members are to work wherever they choose to. Some workers like the idea of working elsewhere just as a bit of a spice for life. We have, as I mentioned, a lot of workers in the Maritimes who choose to work in Alberta for a number of reasons. Some of them are financial, and some of them are just perhaps adventure. The nature of construction is that workers will often develop a relationship with a contractor and not necessarily stick to that year in, year out but will often follow that contractor wherever that work may go. If an Alberta worker is working for a contractor there, they may shift to BC or whatever the case may be.

So we do understand that workers will cross borders to fill that capacity gap, but I want to mention this whole issue. As I mentioned before, I want to underscore our first obligation is always to the local community. And that might be defined in literally the local community or Saskatchewan as a community of interest, and we want to make sure that local people have work. We can't force them to work. We'll offer them those jobs, and if they want to work elsewhere, then I guess that's their privilege.

We'll supplement that by out-of-province people, but I want to say it's very important to us, particularly in respect of a rising tide of people in the trades who are nearing retirement. There's a huge bubble of tradespeople moving through the economy and they're due to retire. And there's a huge problem because (a) how do you replace those people, period; but also how do you replace those people where you go to a situation where the economy in Canada in general, not just Saskatchewan, begins to rev up again? And so you have really a perfect storm of lack of supply.

And so CLAC doesn't want to just passively sort of work with the migration of workers across provincial borders, as natural as

that might be. We want to do a lot of work, and we do a lot of work in our current areas of operation, basically along three lines.

Apprenticeship development — trying to talk to young people and say the construction trades is a good place to be. It's a place where you can make a career. You can make good money. You can enjoy yourself. It's a safe place to work. And we're trying to get rid of some of the myths about construction that have taken place as sort of the technological age has come upon people and to some degree the construction trades have lost some of their flavour. That's one — developing more apprentices to take on those seats.

Another area is critical, and that is Aboriginal communities. And we have begun to work very closely with Aboriginal communities to talk to them about what their realities are. And these issues are many and complex, and I can't sort of summarize them quickly here, but to say to these folks there's an opportunity to work in the construction industry, and we are going to provide that training. We're going to recognize the culture that you come from, and we're going to help you make that transition into this construction world that's potentially so foreign to you.

And we just finished a project where we had 10 labourers go through a labourers course at our training centre in Edmonton, and 10 pre-journeymen welders go through a course where they first started out having some of the recognition of their cultural context and then moved into some of the actual specific trades training. And all 10 of those people in the labourer category and all 10 of the welders are now placed in companies. It's a phenomenal . . . We don't think it's a perfect thing. We don't have a formula for it. But we simply say this is critical. We have to, as good citizens of the places that we live in, engage the Aboriginal community, and we have to find ways to meet the needs of our membership in the construction industry of finding and really getting into a population of workers that's really been untapped.

A third area, and then I'll stop, is opportunities for women in construction. Right now in many jurisdictions, women in the trades is as low as 3 per cent, and that might even be high in some jurisdictions. And we've been working very hard on a number of different government committees, industry committees, and organizations to ensure that our contractors and our membership is at the forefront of innovation, in terms of finding ways to break down some of those barriers of lack of respect for women in the workplace in construction and provide training opportunities so that we see a higher incidence. So we're trying to answer that capacity of workers question in a number of ways.

Mr. Iwanchuk: — Now we've also heard that in comparison that your collective agreements are, I wouldn't say, you know, in terms of when you do the calculations overall, that they're less onerous to the employers, and if you look at that most of the costs are, and people are using the same materials and that, then the costs would have to . . . The employers would be making money from employees. What would you say to that statement?

Mr. deJong: — This is absolutely false. Our collective

agreements are matchable to any collective agreements in industry. There's always the possibility that somebody can find a collective agreement which has been recently negotiated which moves past another agreement in terms of its economic package or otherwise. But we ensure that our workers, whether again it's construction or retail or health care — and as I mentioned before, in health care in Ontario, we are in the lead as a union — and so our wage rates are equal, bar none, in Ontario.

In the retail sector, I'll give an example of Save-On-Foods. Our collective agreement is top notch in the retail sector. It is absolutely a standard to go by, and there's nothing that's left on the table in that respect.

Similarly in construction, to the matter at hand. And in construction our collective agreements are excellent. And this may sound a little bit of a simple way to summarize it, but when you have 50,000 members and you're growing, somebody likes something about the collective agreements you're negotiating for them. It's not as simple as that and that's again a bit of a gloss over, but our members analyze us on our service. They analyze us and on a measure of our collective agreements. And they have opportunities, every time those collective agreements come up for renewal, to ratify or not ratify, and those ratifications are by secret ballot votes.

Mr. Iwanchuk: — Now I know probably some of the other folks wanted to ask some questions. But on the apprenticeship which you spoke about, apprentices here are four years. It's single. When people are on the job, how are they getting the hours necessary if they are, people are jumping from one job to another job — cross-crafting as some people have used that word. Because this is the wall-to-wall, how do you deal with that? How do you deal when our apprenticeship system is set up the way it is? How do you get trained, qualified people under those circumstances?

Mr. deJong: — I'm glad you mentioned that one because that one also has a fair degree of misperceptions around it. In a wall-to-wall situation, you do have some more flexibility because you can use your separate craft workers in a much more integrated way. You no longer have a situation where a labourer cannot pick up a two-by-four to nail it across a gap where an elevator shaft has not been secured. In some jurisdictions, that's going to be protected by trade. In our situation, it's a safety consideration. But when it comes down to safety, we will not allow and our contractors won't allow and occupational health and safety departments won't allow people, number one, to do work that's unsafe. Number two, we are always going to be monitoring our workplaces to make sure that people are doing the work in accordance with their indentured trade.

[13:30]

And it really isn't a problem at all because the person is not going to be used just willy-nilly. If a person's being indentured for example as an electrician, they're not going to be used as an operator, again because of safety reasons but also because the company is not going to be prone to use somebody for something that they're not familiar with. They're going to stay in their trade and all those individuals keep their hours in

accordance with the trade that they're indentured in. It is absolutely a non-issue in any of our job sites.

Mr. Iwanchuk: — And I guess this is where I'm confused, and you haven't helped that because you clearly stated that this is one of the huge positives of wall-to-wall, is in the way that you use your employees. You have just told me now that in fact . . . I'm finding hard to get this clear because on one hand you're saying that it's a positive, and on the other hand you're saying oh no, we would never do that, that there is no difference, I would take it, from us and the building trades in terms of the way we use our employees. Or is there a difference in the way? Because it seemed to me you did say there was a difference in the way that the building trades would operate, and there was some perhaps not as cost-effective ways of doing things as you do.

Mr. deJong: — Let me try to clarify further. It's not to be construed that people are just going to jump between trades all day and that that's the value of wall-to-wall.

The value of wall-to-wall . . . And let me use a bit of a stretched argument which may break down. In government you have at least two parties at play. And there's some natural things that divide the responsibilities in terms of the party who's sitting and the party in opposition. But to the degree that those two parties can work together on committees such as this or on other endeavours that perhaps that go beyond the politics of the situation, you can gain tremendous advantage.

And it's a bit of a stretched analogy. But what I'm trying to get across to you is that if you have a group of pipefitters and a group of electricians and operators and labourers and carpenters, each working within their appropriate trade designations, and so you're not watering down the integrity and the safety issues of all of those trades. But they can work together as teams in an integrated way so that when they're accomplishing a big project — maybe it's a specific task that may just take an afternoon or a task that may take weeks — they can sit down together, and they can tackle that particular project or item as a team rather than having separate trades not necessarily even talking to each other.

I find this type of thing to be frankly a dead end street because the building trade unions, to be fair, have accomplished a lot in terms of working together, notwithstanding their separate jurisdictions. So it's not fair for me to say that the building trade crafts don't talk to each other. But we think that it's much more realistic to have the various trades working together in a wall-to-wall environment.

Let me try to phrase it another way, if I could, because maybe you still think I'm not answering your question. In most jurisdictions across Canada, if not all of them, in the labour relations boards and the labour relations codes, there's a tremendous focus on having an integrated bargaining unit. In other words, if a union comes to, say, a meat processing plant, and says, we don't want to organize or we can't organize the general operations employees but we want to carve out the people who are doing the maintenance, labour boards across this country will routinely argue against fragmenting a workplace because the labour boards recognize the fundamental nature of people working together even though they have

separate job routines. So you've got the people in my example doing maintenance; you've got people working on the cutting floor. They're doing different work and that's not going to erode or get worn away. But the boards recognize that you can't split a workplace apart based on that fragmentation.

I'll acknowledge that the building trades have a history along their different crafts that goes back in time. But I'll submit that it's a historical artifact, not one that's based on pure logic. I'm not saying it's illogical, that it doesn't work, but its history and its foundations were based on the guilds in which you had these different entities that were doing different trades. And those eventually became trade unions. As a matter of history, what we have today is the building trade unions.

Mr. Iwanchuk: — If I could, just a couple of quick questions.

The Chair: — Mr. Iwanchuk. I'll allow one more question. We're over 20 minutes.

Mr. Iwanchuk: — Okay. My issue would be this: we had people come here and say that you might start out and organize, and as you say, bring people and organize with two members and that that's the way it starts and that the Alberta Labour Relations Board in fact would confirm that that is the way you organize. And so it would be I guess an issue of whether it would be for that site. And just sort of as a supplementary question to that, would you accept the rates of pay negotiated at one table here or would you prefer individual employer agreements?

Mr. deJong: — I'll deal with that in sequence. The organizing methodology or characteristic that you described is, if I may say, misleading.

If you use the Alberta example as you connotated, in Alberta we still have to — unlike British Columbia and Manitoba and soon to be here — we still have to acknowledge the framework in the Labour Relations Code under section 3 of the Alberta Labour Relations Code, which is registration. And even though we are recognized as a legitimate construction union in Alberta, we still are obliged to certify each of the groups of workers when we go to a company and try to certify that company on a craft-by-craft basis.

And so even though we're saying to these employees . . . Let's imagine the situation where you've got carpenters, electricians, pipefitters, operators, and labours. You've got five different trades categories working for ABC Construction. We'll sign cards for three electricians, three or four pipefitters, four labours, etc. On a particular perspective, it looks as though we're kind of doing this sort of two-by-two thing because, if I may say, you're looking at it on a craft lens. But if you look at it through the other lens, it's actually those five trades with two or three or four people or more, okay — just to stick with the example — and so the actual certification in our eyes is 15 or 20 people.

So that's why I suggest it's misleading because we're simply following the rules in Alberta of the requirement to certify on a trade-by-trade basis. But when you really look at the totality of our eventual group of certifications for ABC Construction, it's actually, you know, 15 or 20 or 30 people, and it's much more

of a reasonable and a holistic proposition than this sort of, well, how come you guys only did two people in this one and two people in that one? Do you follow me?

Mr. Iwanchuk: — Just the . . . about whether you'd be prepared to sit at a . . . [inaudible] . . . That's sort of in terms of you saying that all-inclusive units because I might disagree with you if I had more time in terms of that that is the appropriate model for the construction industry, you know, an all-cert unit. But would you sit and respect a province-wide or are you more project-by-project agreements?

Mr. deJong: — No, we would not. The whole approach that CLAC has, and I hope I haven't overused the term community, is to recognize each workplace as such. Each workplace, each contractor, or each bargaining unit is a work community unto itself, and it has unique characteristics. And so we're going to design and negotiate and ratify, over years and years and years, a collective agreement that fits for that group of employees.

That collective agreement may end up resembling very, very closely, in fact often in terms of remuneration is almost identical to the collective agreements that it's . . . similar collective agreements because you want to make sure there's an equal playing field. But it's critical for us that we negotiate for each bargaining unit on a per case basis.

I also think that that, what I just laid out, is also supportable in law because of the Supreme Court case. The Supreme Court now says that in addition to the long-lasting right to belong or not to a union of your choice, you also now have the right to collectively bargain or have that union collectively bargain on your behalf.

And so if CLAC, if I follow where you're leading with your question, would be required to fall under somebody else's umbrella, that would take away the fundamental rights that we have to bargain a collective agreement — an obligation, if I will, to bargain a collective agreement on behalf of our group of workers.

The Chair: — Thank you, Mr. Iwanchuk. We're going to run out of our time here, but we'll allow one more speaker from this side. Mr. LeClerc.

Mr. LeClerc: — Just some quick questions, sir. And I thank you for your presentation. And you brought up a number of things that haven't been brought up by the other witnesses.

I'm familiar with CLAC from Ontario. I was the executive director of Turning Point. We ran 10 charities across the province, with battered women and addictions programs among other things, and with Horizons that works with the developmentally handicapped. In my experience, you were not soft bargainers when I had to deal with CLAC around these issues.

And yet it keeps coming up by some witnesses that — in fact I think it's called, they call it cherry deals — that somehow CLAC is an employer's union, in that you come up with cherry deals leaning towards the employers. Now I have to admit my experience is only from the health care profession and some time ago, and I'm not familiar with your work with the labour

construction field.

Would this, I guess, accusation that you are an employer's union and come up with these cherry deals in terms of your negotiations for your union members, and that somehow that drives the wages down and that your benefit packages aren't as good, etc., could you answer to that allegation for me?

Mr. deJong: — It's another one of those odd things that continues to circulate, and it has absolutely no basis. And if I may, you have to just take it apart logically.

As I mentioned before, CLAC ratifies all of its collective agreements by secret ballot. So the first point is, why would employees ratify a collective agreement that's detrimental to their economic or work well-being? That's point one. The other point which flows from it is if those workers for some reason did ratify that collective agreement, they could easily use their feet and walk to another contractor. They would no longer remain employed by somebody who's giving them substandard wages.

A third point is that there's no way that CLAC could even do that. Because if you look at the construction industry, as an example, there's no way if you had ABC contracting, XYZ contracting, and you had a lesser deal for the one versus the other, there's no way that you can establish any integrity when you're bargaining across an industry of contractors doing the same type of work. They would scream blue murder. And so what ends up happening quite naturally is our collective agreements run up to that high standard across the board. There's no way that a union can get away with these so-called cherry deals that people speak about. I don't know where that comes from, but I'm here to dispel it.

Mr. LeClerc: — Thank you. Some of the people that I have spoken to in the last little while have told me — and I'm not sure if it's correct or not or true or not, and so I'm asking you whether it is or not — that in fact one of the appeals to CLAC is that fact of your union dues. And I have to admit I've never paid union dues and never been in a union, although my wife was for many years as a teacher and as an educator.

And so I have been told by people that are members and non-members of CLAC that your union dues are lesser than some of the other unions, and that you can move in and out of your union, so that if I was a member of CLAC and a job came up that employed, say, the carpenters' union, I could go to that, or I could go to a non-union contractor and I could still come back to you. And so there is not a gate that says you belong to us, period, and you can't move anywhere else; that there is an in and out and that your union dues are lesser than. So I don't know if that's true, but could you tell me?

Mr. deJong: — I wish I could say that our dues were less. If Brad were to speak to this one, he'd laugh because when we get into the field, our members complain plenty about how much our union dues are. There's always again going to be variations with that.

I will admit that in one particular respect our initiation fees are generally far lower. Our initiation fee in most cases is \$25 to join and some unions — I want to be careful because I don't

know literally the numbers — are more than hundreds or hundreds of dollars. That might be one reason that that might be said. But the actual amount of dues, we study these things carefully to make sure that we're neither getting ahead of the pack or that we're falling behind, that we're commensurate with others in the union industry or union movement.

The other topic that you talked about, just refresh me on that one.

[13:45]

Mr. LeClerc: — It was the in and out.

Mr. deJong: — The in and out, yes. Well that's an artifact, an intentional artifact of freedom of association — the difference between a closed shop union, in which you're required to be a member as a condition of employment, and CLAC as an open shop. And so we will not force people to sign a membership card when they work for one of our companies. And the idea being is that we're going to respect their desire — again we talked about this — whether or not to join a union, okay. And so even though they're working under a collective agreement, we will service that person as much as a person who signed a membership card because they're paying dues. And philosophically they've been allowed that option to not sign a membership card.

And what flows from that is that that person's rights should be respected, that they can work wherever they can find the employment that they need. And so if we have that employment for them, we're more than happy, and we're eager and we go out of our way to represent that person's interest. But if they want to go work for the Carpenters Union, that's fantastic. That's the great thing about Canada; you can choose to become a member of a multiplicity of unions.

Some of those unions don't like having dual-card or triple-card carrying. We have no problem with that because if I put myself in a carpenter's shoes — and I can just imagine — I would say, don't get in my way of employment whether you're union or some other kind of organization. Enhance my opportunities. Represent me when I'm employed for one of the companies you're signatory with. And if you can't or if I have some other opportunity working for my brother-in-law or working of another contractor, union or non-union, the union shouldn't get in the way of that.

Mr. LeClerc: — If I could, Mr. Chair, just two quick questions. What is this labour unrest that some witnesses have talked about? Seventeen years we haven't had labour strikes or unrest within our province in the trades or the construction field. Because I've been privy to some since I've lived in Regina or Saskatchewan for sure. And having said that, the reason that they give that we haven't had these massive strikes in the last 17 years is because of the system that we currently have, the silo unions of 17 unions.

May I ask you, are you aware in — say — Manitoba that has an NDP government, Alberta, Ontario, the territories, BC, has your presence as a union, is there been labour unrest in any of those? Has there been strikes in any of those provinces? Or have you been . . . with or without you, and had there been strikes with

you or without you?

Mr. deJong: — There's a whole lot of ways to answer, and I'll try to keep tight, Mr. Chair. First of all, philosophically CLAC itself — and I don't think this is the gist of your question but I want to clarify — CLAC reluctantly goes into strike. We do because that's sometimes the measure that needs to be undertaken. But philosophically we exhaust all efforts, including arbitration, to resolve workplace disputes.

As far as general labour unrest, let me be frank. The only unrest comes from the other unions who are concerned about monopolies being subject to competition. That's the only unrest. On these major oil sands projects in the Wood Buffalo area of Fort McMurray, for example, we have worked side by side with the building trade union members with no problems whatsoever. It is not an issue.

Mr. LeClerc: — My final question, sir, is, we have spent a lot of time as a committee with the witnesses talking about our labour shortage, and I haven't been able to get anybody yet to tell me a solution, and I don't know if there is one. But nobody has basically said that the old system will fix our labour shortage. I get more of an answer that opening up competition and selection may indeed help us with our labour shortage.

The one thing that you have certainly touched upon that I'm interested in is not so much the outside workers coming in, but we have the highest First Nation population in Canada per capita. And being part Cree — my mother being Cree and Micmac — this is something that is close to me. We have the highest growth in our population is First Nation youth. We have the highest dropout rate. We have the highest suicide rate and the highest unemployment rate. And yet for us as a government — and I believe I speak on behalf of our government and the opposition as well — that this is an untapped potential that we need to recognize for a number of reasons. We need to stop the social costs, but we can begin to fill within our own province our labour shortage, skilled worker shortage, if we can begin to tap into a partnership with our First Nation communities.

You talked about creating centres in the different provinces, that you have been in training centres, apprenticeship development, and that was in referral to the bubble that a prior witness mentioned about retirement tradespeople and coming . . . [inaudible] . . . If you came into this province, if you were allowed to come into this province, and we were to arrange Bill 80 or some semblance of it for you to be able to come in and establish yourself as one of the unions, would you be committed saying, with your First Nation involvement in the other provinces, your training centres to begin to tap into first our own population for future skilled trade?

Mr. deJong: — Absolutely, absolutely. As I mentioned we're opening an office in Saskatoon, and one of the discussions that Brad and I had is that there's a caveat in terms of how we move into that process of securing office space. It's got to have a training centre. It's not a silver bullet, but the mentality for us is we have to have the capacity physically but also the intellectual organizational capacity to train people. So the first thing is get that physical capacity in place.

The second thing is partner up with our training centres in BC

and Alberta that are way down the road on some of these issues and bring that capacity into Saskatchewan. We have other relationships that we've made, as I mentioned with the Aboriginal program with the Paul Band. We want to take those learnings and some of the partnerships we have with government and begin to replicate those in other places, including here in Saskatchewan. So we have a number of things that we're getting into, a number of things that we're well under way on, and all of those things are going to be developed here.

Mr. LeClerc: — Thank you, sir. Thank you for your clarity of answers and your presentation.

The Chair: — Thank you, Mr. LeClerc. We are almost 10 minutes past our allotted time. I'll entertain one more question from this side of the floor before we wrap up, and we'll make up the time during recess.

Ms. Junor: — I have a particular interest in the health sector, so I'm curious about when you talk about representing Ontario, you're the biggest representative of health sector employees and BC. How do you rationalize your decision or your focus on wall to wall and not splitting into sectors? How do you organize a health facility that clearly must be represented? The nurses must be represented by either BCNU [British Columbia Nurses' Union] or ONA [Ontario Nurses' Association]. And other health unions I would think are involved too, so how do you do that? How do you go into a health facility with your philosophy?

Mr. deJong: — In that particular respect, some of those issues are regulated. And if that's the case, then we don't disrespect that. There are some differences there that I think that are worthy because of the differences in terms of the professional nature of the, you know, RNs [registered nurse] versus perhaps the housekeeping, etc. Our preference would be to again organize all these folks into an all-employee bargaining unit, and we do so wherever we can, wherever the law or the regulations allow. In Ontario I don't know specifically to what degree we've achieved that, but we've tried wherever we can to be as holistic as we can in the workplace.

The Chair: — Ms. Junor. Thank you Mr. deJong and Mr. Bent for presenting on behalf of the Christian Labour Association of Canada. Thank you for the very detailed answers.

Mr. deJong: — Thank you for this time.

The Chair: — You're very welcome. Thank you for coming. We will take no break. We'll move right to our next witness, and as I said we'll just make up the time on the next recess.

Presenter: Mr. Tim Martens

The Chair: — We'll get right into our next presenter. Our next presenter is Mr. Tim Martens. I don't guess I have to ask him to introduce himself. He's by himself, a lone presenter. Welcome to the committee, and I just invite you to carry on with your presentation.

Mr. Martens: — Thank you, Mr. Chair, and thank you to the committee for the opportunity to come here and share about my personal experience as an electrician in Saskatchewan.

Just for clarification, the views I express are my own. Although I belong to various groups, none have had any input into this presentation, and I haven't received any money from anybody to be here.

Personal background. I moved back to Saskatchewan with my wife, Michelle, and our two daughters, aged 16 and 12. We're a single-income family renting a house in Saskatoon, and we moved back to Saskatchewan to start over, and we thought it was a province where we would have the best chance of eventually owning a place again. And things look good for us and there are many opportunities.

A bit about my trade background. I joined the electrical trade in 1995. The first two years of apprenticeship were taken in Prince Albert at SIAST Woodlands campus. And the third and fourth year of apprenticeship were in Winnipeg. I received the highest mark in interprovincial tests for Manitoba in the year 2000. I've had approximately ten different employers in the trade, and sometimes I worked out of the trade.

I've worked in BC, Northwest Territories, Alberta, Saskatchewan, and Manitoba. I've done maintenance, service, and construction work. I've worked on the tools and as supervision. I've been employee and employer. I've worked for union, non-union, employee-owned, and labour association companies.

From that, I think it's a well-rounded trade experience, and I've obviously had a lot of choice.

My life has changed since moving back. We moved back with borrowed money from family. I worked for a local electrical contractor. One day I was sitting around, added up the expenses that we had and compared that to my income, and we were going in the hole. This was without a lot of the extras that we have now. And with braces payments and an ambulance bill, expenses were greater than the income. I researched my options and joined a construction union, and life changed.

Presently our situation is good. We've put an offer to purchase on a property. We went from orderly payment of debt to having six months of wages in a savings account, and that sense of panic involved with not knowing if we were able to pay rent and buy groceries is gone. We are doing well, thanks to the union.

Things I learned when I joined the union — there are some myths that had to be dispelled — hiring lists and travellers' negotiations and who the union really is. A hiring list, when you're out of work, you stop in at the union hall, put your name at the bottom of the list. When jobs come in from contractors, the union calls starting at the top of the list. It's a rotating list with equality for all workers. When the list is empty, the union goes to the next step, calling travellers.

Travellers are qualified workers that come from away or from out of jurisdiction. And this works both ways. When there wasn't work in Saskatoon, I travelled and worked for another local. The advantage is to the traveller. He has employment when there is no work at home. The advantages to the company, they can hire easily without limit to numbers. And advantages to the province is that large projects are built, and there's no

shortage of labour. The disadvantages are you're away from your family when you're working.

About negotiations and labour relations, I noticed a striking similarity to marriages. It takes effort from both sides to get along and make it work. This is in regard to some people saying that the unions are too strong. We were without a contract from May to December and during that time were never in a legal position to even take a strike vote. We wanted to negotiate with the employers, and they didn't want to. It feels very powerless. I don't think that our construction union is too powerful. I believe that labour never wants to strike. It's only in desperation as a last resort, as an attempt to get someone to listen.

[14:00]

The government's role historically has been to balance the power between the unions and employers, and the present situation is already in the employers' favour, as you can see by such a lengthy negotiation and still never being in a legal strike position.

Who is a union? It is people like me. We take kids to cadets. We race soapbox derbies. We are your neighbours. Our families want things. Our families eat groceries. Our children go to university. We contribute to our communities, and much of our wages are spent locally.

The problems that Bill 80 attempts to address are the high cost of construction, the manpower shortage, and that more players want in on the action.

Firstly, the high cost of construction. The government claims that unions are increasing the cost of projects. A project has many players — clients, engineering, labour, along with suppliers and many others. Clients change their mind about what they want built during a project. This raises the cost of construction. The cost of steel vessels on one project doubled between the time of estimate and the purchase. This also raises the cost of construction.

Engineering saves money by letting construction figure it out in the field. This method works, but is more costly and transfers the cost to labour. And labour ends up being the cost that is most highly visible, but there are many factors involved.

The shortage of manpower. As a non-union electrician, I usually asked prospective employers how hard it was to find workers. One time the contractor said it was really hard. I asked about work conditions with his company, about his wages and benefits. Then I understood why it was hard for him to find workers. He did nothing for them and paid them poorly. This kind of employer needs personality. You only work for him because he's a nice guy.

There is a shortage of electricians in Saskatchewan that will work for free. Unionized contractors are never short of manpower because of the travellers that are called to help. The manpower situation is a free market — supply and demand rules apply. If there's a shortage, wages go up and more people become electricians. If there is no demand, wages go down and people work elsewhere. The wages will be adjusted next time you negotiate. This is the same for unions and non-union. The

only difference is adjustment happens at set times for unions and is done as a group.

More people want in on the action. The government claims that Alberta companies want to work in Saskatchewan but can't. Alberta construction companies are in Saskatchewan and are doing well. The biggest employer in our union local today is an Alberta company and they are doing well and getting more work, I hear.

More electricians need work. Electricians from BC to PEI [Prince Edward Island] are working in Saskatchewan because there are not enough Saskatchewan electricians. Saskatchewan electricians are given the first opportunity and are most welcome.

Some additional experiences that I've had regarding previous presenters' misinformation. Some have claimed that there was never any cross-trade work — meaning a person doing work that they're not qualified for — and also that the apprenticeship system is respected by non-union or labour association job sites. And these are things that I've seen with my own eyes. I've seen an apprentice tradesman working without journeyman supervision. I've also seen tradesmen working out of their trade as an apprentice millwright doing journeyman pipefitting work, and the ratio of apprentices to journeymen being higher than the apprenticeship legislation required. And on union sites I have not seen that.

In conclusion, the present law has benefited me and my family. It has created profits for owners and contractors. Construction in Saskatchewan is doing well and has been very stable under the present law.

Union membership increased after World War II and the Depression. People back then knew what it was like to stick together. For me, belonging to a union is about helping each other and standing together with all workers. I hope and pray that the government will realize the value of unions and that all working people will realize we need to stick together and help each other.

Specifically with regard to this Bill, Bill 80, do not pass it. Leave the present law as it is. Thank you to the committee for allowing me to share my experience with them. And open for questions.

The Chair: — Thank you very much, Mr. Martens, for your very personal presentation. It was a little bit different take than we've seen. It's very enlightening. Thank you very much. We'll open the floor to questions. Mr. LeClerc.

Mr. LeClerc: — Thank you, sir. Thank you for your presentation. And I can appreciate how intimidating this may be as an individual to come and speak, and I just want to tell you that you were very articulate and you presented your argument well.

And I'm not disputing the need for unions. I'm trying to understand though how Bill 80 will disband unions. My understanding for Bill 80 is that it's allowing other unions to come into play — two that have been specifically named, both respected unions with large membership. And I think that I find

in your rationale that somehow you believe that Bill 80 will destroy the unions of this province, or it's an anti-union piece of legislation. And that's not my understanding of it.

So if you had an opportunity to join CLAC or CEP, would that not give you the same, I guess, feelings that you have about unions if you were to join another union? I mean, we're not talking apples and oranges. We're talking apples and apples. And if I'm not, please feel free to share that with me.

Mr. Martens: — Okay. So the question is, changing Bill 80 won't affect unions? Or how will they . . .

Mr. LeClerc: — Well it's not going to destroy the unions. It's allowing other unions to come into the province and giving you more choice to join other unions.

Mr. Martens: — Okay. So I have worked for CLAC and I have worked for the building trades and I've worked for non-union, and the level of respect that I got on a CLAC job site was so low that I would say that it was very similar to non-union. That's just my personal experience. I did not get the feeling from my co-workers that it was a union they chose. And that might have just been that one job site, but that was my personal experience.

The thinking for me is that a union is employee-chosen, that you really know you have membership first before employment. And with CLAC, I got employment first and then membership. So to me there is a huge difference and I guess as not having worked in the trades, maybe it's not as clear what I mean with the respect. But it just was. It felt like it was a non-union site.

But I did have the opportunity — and my union dues were only \$50, I think — but I did have the opportunity that I could have written an essay on why I didn't want to belong to CLAC and I could have opted out. And that's what I would have done if I had been there longer.

Mr. LeClerc: — Thank you for your honesty. Just one final question to help me understand. You say that part of the union is something called travelling, travellers?

Mr. Martens: — Right.

Mr. LeClerc: — If that's the case, I'm trying to figure out how come we have a labour shortage within this province when the other provinces around us don't have the economy burning as we do.

Can the union that you belong to here in this province, can they have people from Alberta, electricians, travel into this province under travelling? Or do they have to come and join the union and go to the bottom of the list, pay union dues? Is the union here in Saskatchewan . . . I guess what I'm trying to figure out, is it a silo that just applies to Saskatchewan people or is it a crossover union that there is brotherhoods in other provinces? Say with the electrician and that, people would be coming here as travellers? I'm trying to understand a little bit more about the trade union from your perspective.

Mr. Martens: — From my perspective, there's never a shortage of workers. So electricians in Saskatchewan aren't

enough, the union has their mechanisms to call other people, other jurisdictions, and they come here. Just a really rough guess — there could be 5,000 electricians, more electricians, in Saskatchewan within two weeks. So there's no shortage. There's no shortage of journeymen electricians in Saskatchewan.

Mr. LeClerc: — But we have a labour shortage.

Mr. Martens: — I can't speak for other trades. But I know that electricians, anybody that wants an electrician, it's one phone call away.

Mr. LeClerc: — Thank you, sir.

Mr. Martens: — And that's approximately 5,000. But if needed, more. I think in the '70s there were even travellers from the US [United States], qualified journeymen that came up. So I think where the question comes from is that if you want to pay \$10 an hour and you have electrician jobs available for \$10 an hour, they might go unfilled. You understand what . . . So for \$10 an hour you can't find electricians, but if you pay the going rate you will get electricians.

Mr. LeClerc: — Thank you, sir, for your presentation and your bravery, and thank you for your answers.

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

Mr. Iwanchuk: — Thank you very much for coming. And it's kind of refreshing because we have gotten companies and unions and so this, I thank you very much for coming. I was sitting here wondering what I would ask, but one of the things after you answered the last question about having the experience of working with CLAC — and perhaps this might be not fair, but how do you think that agreement stacked up against union agreements? We've had some discussion about that. The CLAC agreements.

Mr. Martens: — I never saw the CLAC agreement the way . . . It's not as visible as a union agreement is. The union agreement, you've got your shop steward. You've got your agreements are easily available and people are very well versed in what's their responsibility, what's the employer's responsibility. And on that job site I never saw any attention being paid to agreements or to the contract. Wages were adjusted midstream on the project and to me it was mostly just, you better do what you were told to do and jump.

Mr. Iwanchuk: — Just sort of two questions from that. One is I was also interested in the benefits but when you mentioned midstream, did you vote on the increase?

Mr. Martens: — It happened before I was there.

Mr. Iwanchuk: — I see.

Mr. Martens: — But I just . . . Yes, so I don't know what happened but I would say that the way guys talked about it, it didn't sound like there was worker involvement.

Mr. Iwanchuk: — Now what about . . . Now we talked about wages or not knowing what was in the contract, so perhaps you

can't answer the question because my original question was, how did the wages compare and how did the benefits compare and how did the pensions compare between the CLAC agreement and the union agreements?

Mr. Martens: — Yes. It was lower wage and it was less benefits and definitely less pension. But I guess I was forced in . . . not forced, but there wasn't work so that's why I took it. And they were more generous in one respect because they paid for my flight . . . [inaudible] . . . to be taken off of my wages. But the union has got a different way to figure that out. So I would say in general it was less.

[14:15]

Mr. Iwanchuk: — Now just a bit about representation by CLAC. Now you mentioned you never met with anyone from the union in terms of signing a card. How were your union dues deducted or your dues?

Mr. Martens: — I don't know. It was very seamless. On a hire-on — like when you'd come on to a job site, you have a hire-on package — I imagine one of the signatures in there someplace would have been union membership. And union dues, I think that was all calculated into there, that I still get a receipt for the RRSP contributions that were taken off, but it was all very seamless.

Mr. Iwanchuk: — Because they don't have a pension plan then, they use RSPs [Retirement Savings Plan]?

Mr. Martens: — Yes, it's an RRSP. I'm not sure if I'm using the right words here, but it says RRSP on it.

Mr. Iwanchuk: — And that's just still with the company, you say?

Mr. Martens: — No. It's with some retirement plan.

Mr. Iwanchuk: — And you can't access that, probably.

Mr. Martens: — You need to be a lawyer, I think.

Mr. Iwanchuk: — No, I'm sorry. I don't mean to put you on the spot.

Mr. Martens: — No, I don't know how to get the money out. I've tried. And so if there is a mechanism, I'm sure that the previous presenters would have known how to do it. But I don't know how.

Mr. Iwanchuk: — I guess one of the other questions — and again, I'm not sure if these are fair or not to you — but we did talk about there's issues about quality and safety. I don't know if you want to make mention of any of that, or perhaps that's not fair to ask.

Mr. Martens: — Well I guess on those job sites I always worked beside journeymen electricians. The only quality issue that I noticed was that their ratio of apprentices to journeymen was not what the law says. And I'm not sure if it was 2:1 or 1:1 that was required, but it was in excess of 2:1 — so meaning more than two apprentices for each journeyman.

Mr. Iwanchuk: — Okay. Well I thank you.

Mr. Martens: — Does that answer you?

Mr. Iwanchuk: — Yes, it does. I don't know if you wanted to add anything.

Mr. Martens: — I don't know. To me I don't want to be a doom and gloom or like paint one company as worse. It's just my personal experience on a unionized site versus labour association site. It's very, very different and it's . . .

Mr. Iwanchuk: — I guess I found very interesting, and you made this point, and perhaps not many of us, or maybe we would, but we've discussed here the issue of people actually needing to work, and so going out and working. And that was probably the primary, as you mentioned, your most important concern when you first went to work. So I thank you for that, for your honesty, and for coming here. Thank you.

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

Mr. Stewart: — Thank you, Mr. Martens, for your very well-prepared presentation. Are you the recording secretary for Local 529 of the International Brotherhood of Electrical Workers?

Mr. Martens: — Yes.

Mr. Stewart: — Do you receive a remuneration for that work?

Mr. Martens: — For doing that work, yes — \$25 a month and make up the minutes.

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

Mr. Martens: — Just further to that, nobody's paid me to be here or seen my notes, so I'm not speaking on behalf of any group.

The Chair: — Any further questions? Seeing none, we're more than back on track. We will recess until 2:45. Thank you very much, Mr. Martens.

[The committee recessed for a period of time.]

[14:45]

**Presenter: Construction Labour Relations
Association of Saskatchewan**

The Chair: — It being 2:45, we'll call the committee back to order. First off I will table a submission by the Saskatchewan Construction Association that was asked for by the committee on June 17.

Our next presenter is the Construction Labour Relations Association of Saskatchewan. I welcome you, gentlemen, and ask you to introduce yourself for the purposes of Hansard and for the knowledge of the committee.

Mr. Matthews: — Thank you. My name is Sid Matthews. I'm president of CLR, Construction Labour Relations. With me on

my right is Alan McIntyre, legal counsel to CLR, with the firm McKercher LLP. And on my left is John Schel, ex-president of the Boilermaker Contractors' Association who is acting as a consultant to CLR.

The Chair: — Thank you, gentlemen. Just proceed with your presentation please.

Mr. Matthews: — Thank you. We appreciate the opportunity to appear before the Human Services Committee in respect to *The Construction Industry Labour Relations Act, 1992*, which is referred to commonly as Bill 80. This is a joint submission on behalf of CLR, the Boilermaker Contractors' Association of Saskatchewan, and the Pipe Line Contractors' Association of Saskatchewan, so the latter two are the representative employers organizations for the boilermakers trade division and all four trade divisions of the pipeline sector respectively.

David Galvin, the president of the Boilermaker Contractors' Association was not able to be here today; neither was Barry Brown from the Pipe Line Contractors' Association of Canada. They support this submission. We trust the committee will find our submission informative and assist you in your deliberations.

First I'd like to talk a little bit about CLR as an association. It's an employers association. It was established in 1993, subsequent to the passing of *The Construction Industry Labour Relations Act, 1992*. We represent employers in 16 of the 17 trade divisions. We are governed by a council which is made up of the Chairs of each of the trade divisions, and the day-to-day business is looked after by a board of directors.

We seek input from all unionized employers in terms of collective bargaining issues, and all unionized employers have an opportunity to ratify or otherwise collective agreements. We'll note that we do not assist building trades in organizing, neither do we assist contractors in finding ways to work non-union. We are a unionized employers contractors' association.

We'll talk about the construction industry. It's very complex. It's highly competitive, difficult to understand for people outside, inside — no question. One of the best characteristics of the construction industry comes from the Goldenberg Crispo report of 1968. It's in your package on page 3, and I will refer to that. And it's:

The construction industry is characterized by the fact that job organizations and working crews are rapidly formed and liquidated depending upon the number of jobs an employer has under way. During any given work year a workman may be employed by several contractors on several job sites and, as a rule, no permanent employee relationship is maintained. Workmen are more attached to their trade at a particular geographical area than to any employer. There are great cycles in employment, seasonal and otherwise; and on a given project there are tremendous crescendos and diminuendos in the size of the crews as phases of the project build in intensity and fall off with completion.

So it's really in reference to this complexity that I often remark, and referred to a little bit earlier, that few persons outside of the

industry — and as well, few people inside the industry — really know the complexities. So we're going to do what we can do to help you out. No less daunting will be your task of the committee to make important recommendations to the legislature.

So about *The Construction Industry Labour Relations Act* and Saskatchewan in particular, you may have heard some history before. We'll give you our version of the history as it was. Prior to 1979, going back into the '60s and '70s, very unstable period in the life of construction in Saskatchewan. There was whipsawing by unions, of one employer against the other. There were strikes guaranteed every two years. They did occur, and you can set your watch by them. There was no coordination in terms of collective agreements. There was not labour stability.

In an effort to find a way to resolve this instability, the Canadian Construction Association sponsored a study in 1967 as a centennial project. That study, 670-page study, is called *Construction Labour Relations*. It was edited by Carl H. Goldenberg and John Crispo. So their study recommended that a different statutory scheme be created for the industry.

And on page 5, these are some excerpts from that report and they're fairly focused:

Within a given jurisdiction there usually is but one statutory scheme to be applied to all industries, whether they be extraction industries, basic industries, secondary manufacturing industries or service industries.

This general statutory scheme is particularly suited to sedentary secondary industries, where the place of employment is easily identifiable, where the employer has a comparatively high degree of economic stability, where the size and composition of the workforce is relatively constant, where reasonable fluctuations are low, where job descriptions and job contents are fairly identifiable and where the workforce is stabilized by urban living.

In any event as a reform, [and this is getting more to the conclusions of that study] we would suggest revision of all relevant legislation within the framework of present labour relations policy to ensure the following:

1. that where a union is certified or holds bargaining rights for the employees of a number of firms, at the demand either of the union or an association of those firms, negotiations shall be conducted on a multi-employer basis rather than on a firm-by-firm basis;

... If on the other hand the contractor or association represented all unionized firms, all negotiations would be synchronized. Thus the union would lose its advantage of being able to lure individual firms into defecting from the association in exchange for a more favourable (lower cost) ... [or sweetheart deal].

So it was in this context for providing a scheme of accreditation that such legislation was enacted in 1979 called *The Construction Industry Labour Relations Act, 1979*. However, this did not prevent a strike in 1982. There was a significant

strike — I believe seven months long — that was hurtful to everyone. The government of the day repealed the legislation in '83-84, citing the reason that the unions and employers could not agree on changes in the Act that they were looking for, so it said okay, can't agree; good-bye, it's gone. And it was following the repeal of that legislation that many companies formed spinoff entities and began operating non-union.

There's another aspect into the events of that. The simple repeal of the legislation coincided with an economic downturn throughout the world, and as a result unionized contractors were having a difficult time competing. Unions were not quick off the mark in order to help contractors, and as a result many of them formed the spinoff companies out of necessity.

Having said that, *The Construction Industry Labour Relations Act* was brought back in 1992. The basis for that was the new government in 1991 came to the construction industry and said, are you interested in bringing back a legislative framework to manage how you operate amongst yourselves? As contractors we felt that was important. We needed to be protected, if you wish, from the whipsawing which are practices in the absence of legislation.

There was a committee struck of six unionized employers and six union business agents and it was under the name the Construction Industry Advisory Committee, the [CIAC]. The committee looked at the previous Act and said the basis of the Act is good, but there are some things that probably should be improved.

Number one is that the maintenance, the contract maintenance, should be included in the definition of construction. Number two, conciliation should be required before there's any strike activity or lockout activity as well.

That there be provisions for project labour agreements, our industry was generally against them prior to that. It provided for national agreements, and we talked about the Boilermaker Contractors' Association. They negotiate agreements on a national basis, although there are specific issues that are dealt with on a provincial basis as an example of that. The recommendation too was that they prohibit spinoffs, so that there be some recognition in terms of who a union contractor is and who a non-union contractor is not.

The other issue is that, where there was various locals within the province, is that they form a council so that that particular trade has to deal singularly with an employers association. It also brought forward the concept of maintaining provincial agreements — so these were not regional agreements, local agreements, they would be provincial agreements.

The Act came into play, and I guess very notable that since that Act came into play, there has not been a strike or a work stoppage in, we call that 16, 17 years now. I think what that attests to is the maturity of the people under the terms of that Act. Bear in mind this Act was designed by unionized contractors and a trade union, building trades unions, to manage their relations. It was not designed to manage the relations of any other organization, any other form of a contracting union, non-union, or alternate unions.

So just to give an indication of some of the endeavours that we have done together — building trades and the contractors — we've included an appendix B which, you know, you can refer to later. But it gives you some indication of the co-operative developments that have occurred — not without a lot of hard work, not without a lot of expense, but always within the framework of *The Construction Industry Labour Relations Act*.

So we can move on to some discussion about Bill 80. We're told by the ministry that it's not the intent to undo the current scheme, but to provide for the other guys — the other guys being the wall-to-wall or all-inclusive unions — CLAC, CEP, etc.

It's important to note that there's no area that requires construction work to be done strictly by traditional trade union forces, with the exception of where a project owner wants a project agreement.

Similar schemes as ours have been enacted in almost all of the other jurisdictions, but efforts to comingle or establish a different scheme within the Act will undo the current scheme with significant consequences. Some of these consequences may be unintended, but they will be significant. These proposed amendments are difficult to understand, and may spawn unending challenges.

So when we take a look at Bill 80 and what's been out in the public, the intent of Bill 80 is outlined in the general terms of the press release and the background of March 10, 2009, and as we describe them: to provide a system for multi-trade or all-employee basis, enable any union to certify an employer, allow employers to choose the REO [representative employer organization] that will represent them, allow an employer outside an REO to negotiate a project labour agreement, abandonment of certification provisions, and remove the reference to maintaining from the definition of construction.

So when we talk about the industry as complex, confusing sometimes, we can apply that also to Bill 80. It is also very complex and it is also very confusing. So what we've done to assist you is, on the back of your documents, and I think is handed out separately, what we refer to as appendix A. And this may visually assist you in seeing really what the real problems are.

So we use as an example a company here in Regina, Balzer's Canada Inc. Balzer's Canada has been in business for 72 years. It's a family owned business. Its CEO [chief executive officer] is Ron Balzer, a pipefitter by trade, as was his father. It's not unusual for tradespeople to become owners of operations. The company works in the area of construction, what we refer to as contract maintenance — and I'll make a distinction of that a little later — and have developed a pipe fab shop just outside of Regina in Emerald Park. They employ in excess of 600 employees in seven different trades. They are all building trades, and they all work together on the same project at the same time on very similar conditions.

Balzer's as an employer is represented by two REOs. It's represented by the Boilermaker Contractors' Association and by CLR. So the BCA [Boilermaker Contractors' Association] for one trade and the CLR for the balance. So if we take a look and

say, let's assume that the following could occur as a result of Bill 80, that two of the unions under *The Construction Industry Labour Relations Act* that Balzer's have are raided by the CEP. Let's also assume that two of the other trade unions are raided successfully by CLAC, and that would leave three of the seven trades now represented by the building trades.

[15:00]

So if you go to the appendix A, graphically we can show you how this would evolve. At the top and in the green, you see the CILRA 1992. That's the current Act. It's not Bill 80. And those numbers of the trades, those are the trades that Balzer's employs. Trade union number one, trade union number two, three, etc. Didn't want to put labels on them, didn't want to say who's first, who's second. They're simply numbers of trade divisions. And underneath are the REOs that represent Balzer, and you can see CLR represents six and the BCA represents one, and we make note of it. Number one is that on trade union number five, that union, the Boilermakers Union, is a member of the building trades. It's not foreign. Again, part of the building trades. And also with a double asterisk, as we mentioned before, the BCA, they're a national organization and they bargain the boilermaker agreements across Canada.

So what we have under this scenario — and on the right-hand side, there's a little box there and we'll talk about some of the things that have been achieved where collective agreements may have been very different way back when — but we have been able to, through the auspices of *The Construction Industry Labour Relations Act*, work together and to develop many common clauses so that there's a similarity between one agreement and the other. It's a very, very important aspect when you have all these trades working on a project, working together side by side. They're in alphabetical order. They're not prioritized.

We've developed an alcohol and drug policy that applies throughout the province. We've tied into a construction employees' family assistance plan for all workers working under those collective agreements. Under *The Construction Industry Labour Relations Act*, there are provisions for strike and lockout scenarios that require the conciliation — very, very important scenario.

The expiry dates of industrial agreements are the same, April 30. The agreements are three-year agreements. There's commonality in holidays, there's standard hours of work amongst all their agreements, overtime provisions are the same, rest breaks are the same, even safety. We have in our collective agreements as a condition of employment that employees must be certified in the rights and responsibilities safety program, which is one of the CODC [Construction Opportunities Development Council Inc.] programs, as well as the construction safety training system, which is a system, a computerized system out of Alberta and managed by the Saskatchewan Construction Safety Association here.

Subsistence, the support for people working out of town, is the same, as well as travel.

Alan is just pointing out that when we talk about strikes and lockouts, the Act is specific, is that a union must strike all of the

workers in a trade division if they were to go on strike, and similarly if we were to lock out, we have to lock out all of the members in a specific trade division. That's embodied within the Act.

There's also standard travel provisions as well, along with the subsistence. So where these things were quite different many years ago, we've worked very hard to make them the same so that we have a crew that is working well together.

Now let's take a look now down at the bottom, Bill 80, and this is in red colour to distinguish it. As we indicated before, assuming CLAC was successful in raiding two unions, CLAC number one union, number two; there was no REO. Let's move over to the centre. Two more trades that Balzer's employs are raided successfully by the CEP, three and four now. We have two organizations now, and in addition, we have the trade unions who are left with the three. So what Balzer's has got here is he's got five, six, and seven, the traditional building trades unions, representing those trades. He has the BCA and the CLR representing his interest as he did before, but now he has to deal with the CEP and the CLAC for a total of four other trades.

The philosophies are different, the collective bargaining agreements are different, the terms and conditions are . . . The capabilities are all different. And this is all in Balzer's house. How do you manage that? How do you manage that successfully? We would suggest to you, you can't. What will happen in our view — and it's an unintended consequence — is the potential is for Balzer's to fail.

So I guess, you know, we are really concerned. I'll tell you what: Ron Balzer is extremely concerned with this Bill — after 72 years and this event could unfold and put him out of business. And this is not just an isolated case. In terms of unionized construction, there are people who work single trade, through a single trade, and there's others that are multi-trade. Not sure of the balance; it varies from time to time, but at least 50/50. I don't think that was the intent of Bill 80, but by example you can see this is what would evolve.

I'll move on now and just let you rest a little bit from that scenario, and just talk just briefly about adding to the workforce. There's been lots of discussion; I haven't been able to watch all of the presentations and . . . But adding to the workforce, you know, it's an issue. It's a huge issue.

As recently as last year, employers and project owners were scouring Canada and the world for skilled tradespeople. So suggestions that there's an abundance of workers waiting to work in Saskatchewan are really overstated. As an example, Alberta is beginning a major maintenance cycle — huge, huge requirements for labour people, for skilled people. There's a resurgence of major projects activity across Canada — Imperial Oil has just authorized and just entered into some contracts for its Kearn Lake project; Shell is going gangbusters; and in Eastern Canada, even in Ontario in certain areas construction is booming; and go to the East Coast, similarly. There is a huge demand.

Why would people come to Saskatchewan? For steady employment, good pay and benefits, coupled with a

Saskatchewan quality of life — that's what will attract them and that's what will retain them here if we can get them here.

I want to talk just briefly about maintenance. And when we talk about maintenance, we're talking about what's called contract maintenance. So this is not the maintenance that a facility has a group of people that do the general maintenance within that facility, whether it's the upgrader or whether, you know, it's a mine site or whatever. This is what's called contract maintenance. It's a contract that's awarded to a contractor to come in with a great number of employees to take down a part or all of that facility, to do maintenance on a very short period of time, and get it back up just as quickly as possible. Because while that facility is down there is no revenue; there's no product being made.

The contract maintenance, contractors in that industry, draws its people from the construction labour pool, whether it's union or non-union. About 50 per cent of construction workers can be working on maintenance because of the shutdowns and size of the shutdowns. Husky has had shutdowns of 1,200 people required for a three-week period. I heard Bert Ottenson talk about Fort McMurray — over 4,000 people for a short period of shutdown. Where can the maintenance industry get them but from the construction industry?

We incorporated maintenance in the definition of construction back in 1992 for a reason. They draw these people. They want the skilled, highly skilled people for their shutdown purposes. Not apprentices, not rookies. They can't afford to have them in that kind of a scenario. Yet they do not contribute to the sustainability of apprentices. It's the construction industry that does that.

So we worked with the maintenance contractors and over time they are now fully integrated as one. Maintenance and construction, there's really not a difference. It comes from the same pool, same skills. And in fact, you know, even in terms of our organization, in terms of CLR, we have a board of directors of eight, and of those eight, four of those contractors work maintenance. It's fully integrated.

And this is what we call a made-in-Saskatchewan situation. It's a solution because we are a small population. You can put the whole population of Saskatchewan into Calgary. We are small. We recognize it. We do things to the best interests of our province, of the way we work. That's why maintenance is involved in the definition of construction.

I'll talk a little bit about REOs, representative employers' organizations. In many jurisdictions, REOs are designated by a minister to foster stability — not determined but designated. This gives the minister the ability to use appropriate criteria in determining the representative employers' organization. The proposed amendment, however, requires that the REO be determined by the Labour Relations Board after a majority vote only, without any reference to any criteria. Don't know how that fosters this stability.

Abandonment. Abandonment, this is really not an issue for us. It's really a union issue. It really belongs in *The Trade Union Act*. I mean, abandonment of construction union or some other union or whatever, we don't see the difference. But it's not an

issue of our concern. But we do comment that retroactive legislation is an extreme measure at any time.

A little bit on wall-to-wall unions. The Bill contemplates including a provision in *The Construction Industry Labour Relations Act* to implement such a system to deal with the multi-trades. But once a multi-trade union becomes recognized or certified, it and the related employer are no longer governed by *The Construction Industry Labour Relations Act*. It seems then one should really question why develop an in-and-out provision when out would do the same thing. To us, really that doesn't make sense. Recognition of a wall to wall in the Act, only to immediately exclude it from the Act, we don't follow that.

In conclusion, we do not see the need for fracturing the scheme that has produced its intended results. By mixing parallel schemes into an Act that was designed for a specific structure, an apples and oranges situation will be created which could have no result other than turmoil and chaos in the industry in Saskatchewan.

I've been in the industry for a long time. Balzer's have been in the industry a long time. Most of our contractors have been there for a long time, gray hair like a lot of us — not all but a lot of us. And we've worked through the tough times, and we've always been known as a next year country. We talk about that ourselves as well. But we deserve to finally say well, we may not have made it yet, but the rains have come — the past week they've been coming good — and the sun is shining. We're close, but maybe next year has finally come. We really don't need Bill 80 to put some of our employers out of business or to sidetrack our plans for sustained economic development.

Committee members, we thank you for the opportunity to appear before you. And should you have any questions during or following the hearings, we'd be pleased to assist you. Thank you very much.

The Chair: — Thank you very much for your very detailed presentation. In light of time, we have approximately 15 minutes before the end of this session. So I'd ask members to keep that in mind when asking questions. So far, I have one speaker from either side of the table. So with that, we'll go with Mr. Yates first, followed by Mr. LeClerc.

[15:15]

Mr. Yates: — Thank you very much, Mr. Chair. My first question is very straightforward and simple. Were you consulted in any way or asked whether you wanted these changes prior to this Bill coming forward?

Mr. Matthews: — Not prior to.

Mr. Yates: — At any time, did you indicate to the government that you had a desire to have changes made?

Mr. Matthews: — No.

Mr. Yates: — Okay. Thank you very much. You talk about the turmoil prior to the 1979, I believe, legislation, where there was strikes repeatedly as there was people trying to attempt to get

better contracts, playing one off against the other. If Bill 80 passes, do you think we return to that environment again?

Mr. Matthews: — What we have is, you have a scenario here as we painted with Balzer's. And I'm going to suggest to you, how do you avoid some real strife in that kind of a scenario?

Mr. Yates: — Thank you very much. My next question has to do with the study that was done, centennial study of '67. Although it is dated, it would appear that it was an in-depth study of the industry perhaps for the first time in, oh, 70 years or so that the industry existed in Canada. The conclusions that you have or the references you have included in your paper, do you believe those are still relevant today?

Mr. Matthews: — Yes. When I take a look at the report . . . And I've gone through the 670 pages of that report, and it's a series of studies and it's not an easy read. It takes time to go through it. But what I would say is, the conclusions and recommendations of the report are as valid today as they were then. The statistical data that was involved in the studies of the day certainly would not apply today. They're out of date. But in terms of the direction and the importance and the end result is valid today, 40 years later.

Mr. Yates: — Thank you very much. My final set of questions have to do with the issue of abandonment. And you're right; it is a very difficult industry to understand. It's very complex, and there are many sub-issues that, unless you work in it day to day, I think, are difficult. But the issue of abandonment and applying it retroactively, does that have . . . To me it seems that it could potentially have the same impact as doing away with the CLRA in 19 — was it? — '83 or '84. That by having retroactive abandonment clause application, that you in fact allow companies to get out of an obligation. They could simply subcontract, do a number of things for a period of years, and then get out of that obligation and have basically the same effect then as having spin-off companies in 1984. Is that a fair assumption?

Mr. Matthews: — The way I would reply to that is, number one, we made the comment that retroactive legislation is an extreme measure. Having said that, personally — again I'll just speak personally — in terms of a union that does not service its workers and its employees for a period of three years of their own volition, I think, yes, probably deserves to lose their certification.

If it's from an outward act, an act of the employer, different ball game. But the retroactivity is, it's an issue. It's a huge issue. I know it's a huge issue with the building trades, and it's been a huge issue with the LRB [Labour Relations Board]. And I refer to the Graham decision . . . I think is probably, you know, where this was headed.

But I think the industry right now has really settled down in terms of who's working union legitimately and who's working non-union legitimately. Our position as a employers' association, I stated before, we're here for unionized contractors. There's non-union competition out there and competition is good, guarantee it's good. But we represent unionized contractors, and all we want to do is make sure that when we go to the bargaining table with the building trades, is

we can look them in the eye and say, whatever we come up with, we're going to live with. We have to live with. We do not have the option of then walking away, walking out the door, and saying well, now I've got this non-union arm, I'm not going to follow the agreement. If that's helpful.

Mr. Yates: — Thank you very much. That ends my questions.

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

Mr. LeClerc: — Thank you for your presentation. The history served me well, for one. And you mentioned in your . . . And to start where Mr. Yates finished off on the abandonment issue — which has been an issue with me almost since the beginning we started these hearings, and witnesses have spoken about it almost uniformly, I think — I'm trying to understand. You said in the history of it, at one time the spinoff entities had good reason almost in order to survive. And then in 1992, they brought the legislation in to settle things down and to deal with the spinoff entities, and in that piece of legislation going forward, anti-spinoff provisions were made.

I guess the problem that I'm having with this whole piece of legislation is it seemed to work fine till the year 2000, and then all of a sudden in the year 2000, as you note here, the unions lobbied for changes and changed this restricted spinoff entity that wasn't causing any problems in the abandonment issue. The Act seemed to have not been contentious, other than the fact that all of a sudden it needed to be changed by the previous government in the year 2000 and that it removed the grandfathering of spinoffs.

It would seem to me that the problems that have occurred on this — with other organizations such as Saunders and the worries of big construction companies like Graham, among others — is that they didn't have these worries before the change of legislation in the year 2000. Now they have these worries.

So it seems to me that the unintended consequence of the union's lobbying for this, for whatever reason was in their mind, has caused some difficulties around this abandonment issue that our government, or at least the minister, is attempting to address by stopping, I guess, this worry from companies like Saunders going bankrupt or other big construction companies like Graham refusing or not wanting to come into our province because of this 2000 piece of legislation. Could you add some clarity for me on that particular . . .

Mr. Matthews: — Well I'll help in this way, that a big company like Graham not wanting to come in this province is quite the reverse. They're a very active construction company in Saskatchewan.

In terms of the abandonment issue itself, you know, you've heard a lot. I'm sure you've heard a lot. You've heard from various organizations. You've heard from the building trades. Again our position really is, you know, that this is a union issue. It's not a particularly a union contractor issue. It is a union issue trying to assert their certifications — recent ones, 3 years, 5 years, 10 years, 15, who knows? — but trying to reassert that. I would say that's simply up to the unions, and that's their responsibility they have in order to try and maintain their

certifications. So beyond that, that is not fair for me to comment.

Mr. LeClerc: — Thank you. You noted that there cannot be any guarantee that a strike might not occur in the future under the current piece of legislation. My question has been to a number of witnesses, there is no, I guess, labour strikes happening in the other provinces where members of CLAC or CEP and other unions are there. I haven't been able to ascertain whether there's been strikes caused in the other provinces, including Manitoba which has an NDP government. I'm trying to figure out how this is going to cause strikes or labour unrest. Could you tell me how this is?

Mr. Matthews: — Absolutely. If you go to appendix A.

Mr. LeClerc: — Well okay.

Mr. Matthews: — And just take a look at that and see now who the combatants will be. It'll be the CEP. They'll be the CLAC, and there will be the building trades. And there won't be peace.

Mr. LeClerc: — Well you're presuming there won't be peace because in part of that . . . and I don't want to debate with you, but your presentation is presuming there won't be peace. And your presentation has that . . . And I'm not saying unions are bad. There's certainly a place for unions, and I don't see this legislation being anti-union. But it's a piece that somehow deals with allowing more unions to come in, and maybe I'm naïve in that, but that's what I see.

You presume under this appendix A that there will be turmoil and chaos because you've got three separate negotiation areas that could have conflict with each other or have conflict with the company. And in that presumption, you say that CEP or CLAC is going to raid these other unions. Well I'm not sure how you raid when union membership is . . . that you're voluntarily joining an organization. I'm not sure how raiding comes into place. I mean if your union representing you is such a good union, you would stay with them.

Raiding, what would prevent the other unions from raiding CLAC? I mean, this is a presumption, I think, that I don't quite understand. If a union has loyalty of all of its members, how does another union get them out of there to begin with? And if that union is so good, why wouldn't they be able to raid from another union?

Mr. Matthews: — I'll start with the last assumption — providing that union is good. I don't know. You know, we're not a union. We don't know the comfort level of members in any union, whether it be building trades or anybody else.

Organizing is a role for unions. We talk about CLAC or CEP wanting to come in to work, do more work in Saskatchewan because, you know, Wabi did the Meadow Lake OSB [oriented strand board] mill. That's a CLAC contractor.

JV Driver is doing the Mosaic expansion right now, and they're a CEP contractor. They're here working. Where are they going to get the people from? There's not a whole lineup of people at the border — I think I heard that earlier, maybe last week —

waiting to come in. They're going to have to try and find a workforce in Saskatchewan in order to stay here. Where are they going to go? They're going to try and convince skilled tradespeople who work for others, non-union or union, to come and work under their banner.

Mr. LeClerc: — But it could be non-union. So I mean there . . .

Mr. Matthews: — Sure. It could be non-union too.

Mr. LeClerc: — Okay.

Mr. Matthews: — Sure. Absolutely. And just, if I might interrupt . . .

Mr. LeClerc: — Sure.

Mr. Matthews: — Just to answer your question as well, in terms of no strikes, you know, where CLAC or CEP are, there have been strikes in Alberta and Manitoba in the last round of negotiations.

Mr. LeClerc: — From the construction industry?

Mr. Matthews: — Yes.

Mr. LeClerc: — Was CLAC involved with them?

Mr. Matthews: — I don't know. I think not. It'd probably be the building trades.

Mr. LeClerc: — All right.

Mr. Matthews: — Yes.

Mr. LeClerc: — We have a labour shortage, and one of the things you mention is if we can get skilled workers here. Well we need to, and currently we're not getting them, and we need to attract them and other companies. We've had witnesses of some very large companies that said that the reason why they're not here is because their union membership is with CLAC, and that's who they work with, so they don't come in.

Again I'm trying to figure out how we deal with a labour shortage. The current situation or labour laws or the 17 unions that are solidified here and not allowing anybody else in by the legislation isn't serving our labour shortage or our province well because we're trying to inject money into the economy and we can't spend it, because we have a labour shortage and we're trying to hire.

So I guess part of it, for me, it isn't that, you know, I have any particular dislike for the 17 unions or I particularly dislike the labour Bill. I'm looking for a solution of what we do that will deal with (a) the abandonment issue that was changed in the year 2000 that seems to have created problems and how do we deal with the labour shortage. And you haven't given me a solution in your presentation because there's an if to there.

[15:30]

Mr. Matthews: — Well so in terms of the abandonment, you know, I think it's fair simply to accept what I say — that it's

really not an issue for us. It's an issue for the building trades.

In terms of the shortage of people, the venue for seeking to resolve the gap between supply and demand of the labour is not *The Construction Industry Labour Relations Act*. I'm the secretary for the Construction Sector Council LMI [labour market information] committee here in Saskatchewan. We held a symposium June 11. There'll be a report coming out the end of July, in August, in terms of trying to deal with that gap. The symposium was designed in order to provide some ideas in terms of actions in order to address those.

When we take a look at the labour shortage, first of all, we'd like to have apprentices. We'd like to build apprentices into journey persons, our own people that are living here.

Secondly, make use of the workforce that's across Canada in terms of mobility, bring them in. I'm not suggesting we have to retrain a bunch of people, but in terms of the unionized structure, mobility is a major, major asset. There are 350, 400 union locals across this province. We're a phone call from . . . One of these folks probably sitting behind us here can bring in a lot of workers. And we do. There are what we call travel cards that are here.

If that supply is exhausted, there is temporary foreign workers, like I said before. Employers and project owners have been scouring the world in order to bring people in from Argentina, China, whatever, into the construction industry. We haven't had that significant demand that has pushed us to that. There has been some pilot projects in terms of temporary foreign workers. It just depends on all of the projects that we contemplate are coming in, that are in our major projects inventory, if they come on schedule the way they're identified, we're going to have to have 4,000 workers. There's retirements. Michael Fougere talked about it. Michael's the Chair of the committee that I'm the secretariat at.

So it's not *The Construction Industry Labour Relations Act* that deals with that. It's advanced education. It's labour. It's employment. It's contractors. It's unions. It's everybody is going to have to put their shoulder to the wheel and find resources, build resources. They can't do it overnight. And you can't build for a large workforce for two years down the road if down the road a year later, before we get there in one year's time, because that project is now delayed by two years or three years. So clearly the short answer is solving a shortage of labour is not in *The Construction Industry Labour Relations Act*.

Mr. LeClerc: — Just one comment and one very short question: I don't know how excluding other labour forces and unions is going to help on that. And I haven't been able to see the argument at this point. But secondary, is there anything prohibiting CLAC or CEP from joining a regional REO? I mean they could join an REO couldn't they?

Mr. Matthews: — No, the employers do.

Mr. LeClerc: — That's just for employers; that has nothing to do with unions?

Mr. Matthews: — Our association and REOs have nothing to

do with unions, other than we have the connect to the union because there is a representative employers' organization for each trade division identified in the Act. As it turns out, CLR is identified in 16 trades, so notionally we are 16 different organizations, 16 different REOs.

Mr. LeClerc: — We could do the same, though. I mean CLAC could have a member from your REO in there. I'm trying to understand why CLAC wouldn't fit in with the other unions.

Mr. Matthews: — With the building trades . . . [inaudible interjection] . . . I don't think that would occur. Number one, the structure of the Act is for a designated REO to deal with a particular trade division, so the only way that it's reasonable for us to really get replaced is if in fact we're not doing our job.

Is there an interest on the building trades to have a different REO? I'm sorry; it's not their decision. It's the decision of unionized employers. It's got nothing to do with the unions. We don't tell them who their business manager is, who represents this group or that group. They don't tell us. In fact we don't tell our employers who the REO is going to be. You need to have . . .

Mr. LeClerc: — I guess I'm not understanding. You're saying that you have a member of each union on an REO.

Mr. Matthews: — No, absolutely not.

Mr. LeClerc: — You have an REO . . .

Mr. Matthews: — For each trade division.

Mr. LeClerc: — So why couldn't . . . all right. That's fine. I'll figure out . . .

Mr. Matthews: — We said it was complex, and we'll help you at another time if you wish.

Mr. LeClerc: — Thank you for your clarity of thought.

The Chair: — Thank you, Mr. LeClerc. We are well past our allotted time. I'll allow one quick question and a brief answer from Ms. Junor and then Mr. Stewart before we wind up.

Ms. Junor: — I want to thank you for your presentation that basically now has talked about the elephant on the table, and that's raiding.

And I think when you so clearly articulate the turmoil and chaos that can occur from raiding . . . and your example with Balzer is clear. I think we've heard about this from the employees. Now we've heard about it from the employers. So I think it does bear sober thought about what this Bill will do, the unintended consequences I presume.

For me it is almost like legalizing raiding. And it will foster unrest in the sector. And having come from the health sector where the Dorsey report led to labour reorganization and the Act that did that. All the arguments for Bill 80 could apply to changes in the Dorsey regulations.

And so I assume from the amendments to this Bill and in Bill 6

— the recent amendments to *The Trade Union Act* — that the Dorsey legislation is now vulnerable and perhaps next on the government agenda. And I really do worry that this Bill is not an issue about choice or democracy. It seems to be only about opening the doors to two particular unions, and that's CLAC and CEP.

And I know that you have mentioned several things in here about how CLAC operates and clearly used the word raiding and causing unrest. So I assume then that that is basically your opinion, that this is just about bringing in those two unions, not about democracy or choice.

Mr. Matthews: — Quick answer if I can. *The Construction Industry Labour Relations Act* was designed by unionized contractors and trade unions in order to manage the relationship between themselves. It was not there to deal with other organizations whatsoever. In terms of raiding and those issues, I think those are clearly dealt with in *The Trade Union Act*, and that's where they belong.

Ms. Junor: — Thank you.

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

Mr. Stewart: — Thank you, Mr. Chair. And thank you, Mr. Matthews, for your presentation. It was very helpful. I only have one thing I'd like to clear up. And I may have misheard you, but I thought you said that CLAC doesn't contribute to the apprenticeship program.

Mr. Matthews: — No, absolutely not, that's not what I said. To be clear, I was talking about the contract maintenance side. That contract maintenance draws highly skilled journey persons primarily and not apprentices. Yet it's the construction industry that supports the development of apprentices that become journeymen, that the maintenance industry draws on. So nothing to do with CLAC.

Mr. Stewart: — Thank you.

The Chair: — Thank you, Mr. Stewart. Thank you very much, gentlemen, for presenting on behalf of the Construction Labour Relations Association of Saskatchewan. We will facilitate a quick change and carry on with the next presenter.

Presenter: Canadian Federation of Independent Business

The Chair: — Thank you, committee members. We will start with our last presenter of the day, Canadian Federation of Independent Business. I welcome Marilyn Braun-Pollon and invite her to do her presentation. Thank you very much, Marilyn.

Ms. Braun-Pollon: — And just for clarification, Mr. Chair, presentation time is — what? — 20 minutes. Is that correct? You'll give me a warning or . . .

The Chair: — We've been going . . . Well the allotted time was about 20; 10 for question and answer. We've been going well above that so we'll use the time right until 4:15.

Ms. Braun-Pollon: — Okay. Thank you. Well good afternoon.

On behalf of the Canadian Federation of Independent Business and our 5,250 small- and medium-sized firms, we do appreciate the opportunity to present our members' views to the standing committee this afternoon on Bill 80. Just by way of background on the CFIB [Canadian Federation of Independent Business], we are a not-for-profit, non-partisan, political action organization funded solely by our 105,000 small-business owners across the country. And as I mentioned, we currently have close to 5,300 members from across the province representing a broad range of industry sectors, including retail, hospitality, manufacturing, business services, construction, wholesale, ag, finance, transportation, and education.

We also have a unique process with accountability, that we have a CFIB representative that meets with each one of our members at least once a year and provides an opportunity to collect information about the priorities and concerns of their various business. So each week our CFIB representatives meet about 200 members across the province to discuss issues important to them.

I just thought I'd look at the small-business outlook and the fact that Saskatchewan's small-business owners are the most optimistic in the country. CFIB's business barometer — which has been shown to be an extremely accurate indicator of economic growth that is utilized by a number of financial institutions in Canada including Bloomberg, the Bank of Canada, and Scotiabank — shows that business owners in Saskatchewan remain the most optimistic in the country. And we just started the barometer now on a monthly instead of a quarterly basis, and so an index level above 50 means that owners expecting their business performance to be stronger in the next year outnumber those expecting weaker performance. So the recent results show that overall optimism among Canada's small-business owners continue to improve through May, which was encouraging, but is still well below historical norms and suggest the GDP [gross domestic product] growth has not yet entered positive territory.

So at the national level the barometer index rose to about 60.4 in May from 54.9 in April and from a cyclical low of 39.4 in December 2008, so we are making improvement. But what's interesting are the Saskatchewan highlights. Optimism in Saskatchewan, as I mentioned, is the highest in the country. Our index rose from 59.8 in April to 67.5 in May. We've got about 56 per cent of business owners in this province say that the overall state of business is good. That compares to 38 per cent nationally, so we're well above the national trends and are bucking national trends. A 30 per cent plan to increase full-time employment in the next three to four months — that compares to 18 per cent nationally.

But the major business constraint for Saskatchewan's small-business owners is the shortage of labour. When we ask them, out of all the various business constraints, the shortage of qualified labour is number one on their mind. So when you look at a stronger economy, which we've seen over the past few years, it does bring new challenges, chief among those is businesses trying to find the qualified employees.

[15:45]

Over the past five years, the number of members identifying

labour shortages has increased from 40 per cent — as a problem — to 66 per cent of them identifying the shortage of qualified labour as a concern as of January of this year. And the difficulty is most severe in transportation, construction, and manufacturing, although there is no industry immune from such labour challenges. And so not surprisingly, when we just released our training report about a month ago, it's not surprising that 8 out of 10 small-business owners in Saskatchewan expected it to be harder to find employees in the next five years.

And in asking our members how they've coped with that labour shortage, the most disturbing response was close to half of them have chosen to function with fewer employees or ignoring new business opportunities. And we've heard presentations from the SCA recently that, they state that the Saskatchewan construction industry will need to replace an additional 4,400 retiring workers over the next few years. So the shortage of qualified labour issue is a very serious issue.

So basically our results do confirm what the headlines that we've seen lately . . . In May we saw that Saskatchewan recorded its highest ever employment levels and a 38th consecutive month of employment growth. This is a good news story as Saskatchewan continues to buck the national trends.

But the key question that CFIB asks the committee to consider is, how do we continue to build on this momentum? And while those that oppose Bill 80 say that this is the wrong policy at the wrong time, we beg to differ, and agree with those that have supported Bill 80 who say that what the construction industry needs today and what the province needs today are new rules for a new Saskatchewan economy.

So the Bill 80 initiative does have the capacity to not only attract new workers, new residents, new projects but also new economic activity to Saskatchewan. And it has been encouraging to hear all committee members agree with a common goal of how do we grow Saskatchewan and how do we attract workers to Saskatchewan.

The need for more balanced labour laws, that is a key priority for Saskatchewan small-business owners. And it's important for the committee to know why small-business owners are in favour of more balanced labour laws.

Let's go back a couple of years in advance of the provincial election. We did survey our members to put forward constructive solutions — what would help Saskatchewan grow and create opportunities? So we asked them to identify some small-business development priorities for the Saskatchewan government in the next five years. Eighty-one per cent of them had cited improving roads and infrastructure — basically, fix my roads.

The second highest priority for Saskatchewan business owners was more balanced labour laws at 72 per cent — and I'll get into some of the changes that we have supported recently — and then followed by 71 per cent, citing lower taxes for business, and then also close to 70 per cent saying that the province needs to look at further strategies to address the shortage of qualified labour.

The recent changes in 2008 began to balance Saskatchewan labour laws, and we welcomed the introduction of Bills 5 and 6 which not only ensured a more balanced labour environment in the province but Bills that respect the rights of workers, unions, and employers while being competitive with other jurisdictions.

These, we believe, are positive first steps in moving Saskatchewan forward rather than being stuck in the past. The basic democratic right of a secret ballot was something that our members had supported for quite some time. So we applaud the government for taking another important step forward in introducing this Bill. Their work is not done, and we believe that the government must look to other changes to workers' compensation, labour standards, and *The Trade Union Act* in the months ahead to ensure that we are remaining competitive.

So in the remaining few minutes I have, I'll go through our views of Bill 80 but also look at the need to focus on the facts. While some in the union movement wish to characterize this legislation as having a profoundly negative effect on Saskatchewan's construction sector, one has to ask the very key question: what is the real issue behind the opposition to Bill 80?

If one looks closely, it comes down to the loss of the current monopoly within the construction trades. When Bill 80 passes, which we hope it does, competition will be introduced for the building trades and greater choice for employees. So we believe there are a few key areas that Bill 80 does address, and one of them is providing that freedom of choice to employees. Currently regulations dictate to employees which unions they have permission to join and exclude all other choices. The CEP's news release of March 11, 2009, noted, and I quote:

Governments should not pick unions, construction workers should . . . and they now have the right to chose which union they . . . belong to. These changes are about levelling the playing field and giving constructions workers a democratic voice.

We strongly support the principle that the employees and not the government should have the right to select who will represent them. It's also important to note that this Bill does not compel employees to change existing agreements.

Secondly, Bill 80 provides freedom of choice to employers. Presently those employees and employers who do not wish to associate themselves with traditional building trades are basically discriminated against. We're the only province that legislation requires unionized employers in the construction sector to be a member of a representative employers' organization for bargaining.

We believe that the company should have the right to enter into the contracts that best suit their needs to operate effectively.

With respect to the abandonment issue, we believe it's about fairness and democracy. And right now we believe it's unfair and undemocratic for a union to abandon its responsibilities under a collective agreement and not in any way represent its workers for years, only then to reactivate the old certification years later. When you look at the Saunders Electric case, that does look at having a union neglecting to represent employees of a certified employer for some 24-odd years, reassert its right

to such representation, and then look at being granted that right and order back union dues for all those workers it failed to represent for that period. We ask how this is fair, and this case that has been raised in these committee hearings continues to cause great uncertainty for the company and its employees.

Now I also want to just finalize my comments, Mr. Chair, by focusing on the facts. And I guess it's pretty tough to have a meaningful debate when many groups ignore the facts or resort to a level of rhetoric that is troubling. And when you look at some of the comments that say only unionized employees support the apprenticeship system or that non-union contractors do not support training, or the suggestion that non-union contractors compromise workplace safety, we have to look at the facts and stick to the facts.

For those that say that, there's really three myths here that we've heard over the last couple of days. And there's been some interesting discussion on this Bill. But Bill 80, they say, is a race to the bottom where salaries or wage rates will be reduced or fewer benefits will be paid to working people. This, we believe, is an untrue statement. If you look at Merit Contractors Association they say again, and I quote, that "The union versus non-union wage argument is a complete red herring," given the labour shortage environment that we operate in and in which we will be operating going forward.

We believe that our competitive market, with this shortage of qualified labour, will continue to result in strong wages and benefits in the construction sector. And you don't have to look too far to see the reports of the average weekly earnings in the construction sector which have increased close to 30 per cent over the past few years.

Myth number two: Bill 80 is a race to the bottom and leads to a reduction in safety requirements. So you've had some suggestions from presenters that non-union contractors compromise workplace safety, and it's not based on fact. And we would ask, where is the evidence to support such a suggestion? One of the presenters to the committee recently, in the past few days, talked about their very strong record of workplace safety. As well a number of associations also outlined their extensive and broad workplace safety training programs.

And then finally myth number three, that Bill 80 is a race to the bottom, as it threatens the apprenticeship system in the province. Again the notion that only unionized employees support the apprenticeship system and that non-union contractors do not support training is simply, again, untrue. We have all contractors, either if they're either union or non-union, equally support apprenticeship and training for their employees. And CFIB recently did a survey on the amount of training that employers do in this province, and Saskatchewan ranked the second highest in the country for the amount of training that they provide their employers, either formal or informal.

So we believe that Bill 80 leaves a number of sides winning. First the economy will continue to lead the nation if we can continue to build capacity here in the province. Residents will be benefactors because more jobs will need to be filled. More investment will flow into the province if we rid ourselves of restrictive policies and allow others to enter the province.

Construction trade employees — the employees within the construction trades, rather — will have a greater choice of who will represent them.

And I should mention the traditional building trade unions will remain as they are. And if they are providing the service and providing that environment that employees and workers demand, they have nothing to fear.

Employers will have greater choice of who represents them as well. And then non-traditional unions will now be recognized in Saskatchewan as legitimate trade unions and not discriminated against.

So in my closing comments, I'd just like to say that CFIB supports the amendments to Bill 80, and we believe the changes will help continue to build the economic momentum that we've seen in the past few years.

And I'd like to quote one of the presenters, the Progressive Contractors Association of Canada in their statement on the importance of Bill 80. And I think they do say it best. They say, and I quote, "We believe that an open society and an open construction industry brings with it innovation, meaningful competition and an inclusion of all workers in the construction industry, including minorities."

That's concludes my formal presentation. I thank you for the opportunity to present our views on Bill 80 and would be open to any questions that you may have.

The Chair: — Thank you very much, Ms. Braun-Pollon. First questioner is Mr. Iwanchuk.

Mr. Iwanchuk: — Just a question on, in the way that Bill 80 is structured, allowing unions for example like CLAC who would come in and organize an all-employee bargaining unit. A previous presenter has said that that employer would no longer be governed by the CILRA, and then so they would be outside of Bill 80, immediately outside of Bill 80.

What impact, after no doubt studying this very carefully, what will be happening to that bargaining relationship? Will it come under *The Trade Union Act*? Do you have any comments on that?

Ms. Braun-Pollon: — Well if you're asking will they follow the rules of the province that we have laid out in our trade union Act and occupational health and safety and such, the answer is yes, they will. As in the specifics, what their collective bargaining agreements will look like, I can't get into the specifics of that.

But I think the point is is that what we've tried to present in our views is that it's about greater choice; it's about building capacity; it's about continuing to build the momentum. And the building trade employees and the workers that belong to building trades can stay exactly where they are. No right is taken away, we believe.

Mr. Iwanchuk: — No, because right in Bill 80 it's very specific. And I think the previous presenter has said that, that as soon as you organize an all-employee unit, that you will no

longer be governed by the CILRA.

My question is then, what will they be governed by? You say the Acts of the province. Will they be governed by *The Trade Union Act*? That is my question.

Ms. Braun-Pollon: — Well I can't see why they wouldn't be. Are you assuming then that they would be adhering to lower standards then as a result? I'm not sure what you're getting to with the question.

Mr. Iwanchuk: — I just, because you're in favour of the Act, and for those that basically come into a certification of wall-to-wall, they're no longer under the Act. Where do they go? What are they governed by?

Ms. Braun-Pollon: — In relation to what? I'm not sure what . . .

Mr. Iwanchuk: — Well in terms of bargaining relationships or anything.

Ms. Braun-Pollon: — Well if you look at CLAC, if you look at CEP — and CEP, they're good enough to represent Crown employees here in the province, right? — so they have their ability to negotiate the agreements with their employees under SaskTel and the like. I'm just not sure what . . . What would they be governed by? They would be negotiating a collective agreement that would work for the employer and what the employees have wanted and have demanded.

[16:00]

Mr. Iwanchuk: — Okay. Thank you.

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

Mr. Yates: — Thank you very much, Mr. Chair. I have a number of questions. We just had a presentation from an employer organization that represents unionized contractors that clearly is concerned about the implementation of Bill 80. And we all share the goal of wanting to move the province forward and continue to build our economy.

One of the things we need to be careful of when we're dealing with legislation is the unintended consequences, where things may look like one thing on the surface, but what are the implications that aren't clear because of the complexity of the industry, the complexity of the construction environment — at least the unionized construction environment of Saskatchewan. Because this Bill will impact them; it won't impact necessarily the others. And they had indicated that a long-time Saskatchewan employer in their belief, company by the name Balzer's Canada Inc. could potentially be put out of business by the changes in Bill 80. And that's something none of us would want to have occur. And this could be one of the possible unintended consequences.

Do you have that same concern? Or have you talked to those businesses about what concerns that they may have — those unionized contractors?

Ms. Braun-Pollon: — I know it's a cardinal sin to not answer a

question with a question, but I just need some clarification with respect to what would then be, I guess, the triggers that would cause that specific business to go out of business.

Mr. Yates: — Well the triggers they talked about was potential raiding of contracts, which has occurred in both Alberta and British Columbia. It has occurred in the construction sector in Alberta and British Columbia, and it does result in changes. And those changes will result in an environment of instability, I guess is the concern. And that's the concern of the CLR Construction Labour Relations Association. This puts us back in an environment of instability which isn't good. And in fact it could result in having consequences that take us backwards instead of forwards.

Ms. Braun-Pollon: — Well I think the principle that we like about the movement of this Bill is the whole level of competition. And be it union or non-union, when you are in a strong economy, you've got employees being wooed continually, right? I mean it's basically we're raising the level for everyone.

One of the things that small-business owners say is that, you know, the frustrating part is they put a lot of time into training and then someone can poach them. It happens all the time. So I mean I think if you look at this — if employers are providing those salaries and the benefits and what employees want and they're satisfied — I think this could be a positive thing by raising everyone's level with respect to the competition that's there. And you know, I think the building trades, I mean if they are in fact representing their employees and workers — which I'm sure they are — I don't see what they have to fear, if in fact they are providing that work environment that employees would want to be part of.

Mr. Yates: — Thank you very much. My next question has to do with, we've heard many presentations, but I think you could categorize most of the presentations as being stakeholders on sort of one side of the legislation or the other. Would you by chance have any potential — for lack of a better word — neutral experts in the area of labour legislation and construction that you would recommend we talk to from outside the province? Somebody that doesn't have a vested interest, is solely looking at it from the issue of good public policy.

Ms. Braun-Pollon: — Well in fact yesterday I was speaking to an individual. I'd have to call him to get his consent, but I mean he was providing some interesting case studies which I think would provide some pretty good background for the committee. But again, I would have to talk to him first to see if in fact what he could provide me. But there are some interesting case studies that have been done in other provinces, but I don't have those memorized off the top of my head. But those might be helpful.

Mr. Yates: — Thank you very much. That answers my questions.

The Chair: — Thank you, Mr. Yates. Just a reminder to members, we have approximately 10 minutes left and three questioners to go yet, so if members could just be respectful of each other's time. Mr. LeClerc.

Mr. LeClerc: — I just have two quick questions. Your

association is interprovincial — in other words it's across Canada — and similar legislation is in our provinces of BC, Alberta, Ontario, and Manitoba where a particular union's name that don't belong or are not restricted as they are in this province from being part of the labour force, or union force. Is there any examples of this not working in the other provinces, or is there adversely any examples of this working in our neighbouring provinces?

I have always found competition problematic when you're stuck in the middle of surrounding companies or surrounding organizations or surrounding provinces that have a piece that provide them something that we don't personally have. And so legitimately is there any examples of this legislation or similar parts of legislation like Bill 80, that aren't working? Aspects of it that aren't working? Or are there pieces of it that are working extremely well that we ought to be looking at?

Ms. Braun-Pollon: — Well there again, I don't have specifics related to that, but if the committee would want specific information, I could connect with my colleagues of those specifics that they've heard of. I mean the individual I spoke with in BC yesterday had some very interesting points to raise as well, to consider.

Mr. LeClerc: — Well I particularly, I think all of the committee members would appreciate some of that information, as Mr. Yates has pointed out, either neutral people or people in the other provinces that may be able to lend us their view or their expertise or anecdotal evidence of that.

My second question is around what you termed the three myths. And the first myth has come up, and it hasn't come up for a little while, but it's the decreasing of wages by allowing CEP or CLAC or the change of the legislation to take place. And you said that in this heated economy, that competition ensures that the wages primarily are equal across the board because of the competition factor. What would happen though, long term, if our economy and all the economies around us began to decrease? What would happen to union members' wages because of Bill 80? Is there the possibility that then their concerns, their worries about the decrease of wages would then become a reality?

Ms. Braun-Pollon: — Well I think when you look at it, one of the things that you see in a strong economy is, you know we call it the wage war, that you see businesses competing for their employees. One of the things that we have noticed and have shared with the opposition and the government is that when you have a competitive tax environment, one of the first things that business owners do is not only reinvest back into their equipment and machinery and the like, but they increase their employees' wages because they know that they have to keep their employees.

And so you raise the point of if the economy softens. I mean everyone has to look inward at that point and I'm not sure if it would be a . . . I don't think it would be, have a race to the bottom but I think you'd have to look at what the market can bear at that point, right. And so you'd have to look at what, you know, if an employee can get a better deal with the building trades versus CEP or CLAC, they would have at least that choice to shop around, right. But again I mean a slower

economy, we've all been there and I know my phone rings when our members are competing for employees. And they have to be the most competitive, they have to be the most flexible, and they have to be the employer of choice. So in order to get contracts, you have to be the employer of choice and even in a slower economy you still need competitive wages. Would they soften? Again what would the market bear? That typically is what happens in the marketplace is if there's a slower economy, a number of issues that businesses have to deal with in order to be competitive.

Mr. LeClerc: — Thank you very much for your presentation and your answers and I look forward to any further information that you can provide us on both what Mr. Yates and I requested.

Ms. Braun-Pollon: — Thank you.

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

Mr. Hart: — Thank you, Mr. Chair. At the beginning of your presentation you mentioned that you have 5,300 members in the province. Did I hear it correctly?

Ms. Braun-Pollon: — That's correct, yes.

Mr. Hart: — Of those members, Bill 80 deals primarily with labour relations in the construction industry. I wonder how many of your members would be involved in the construction industry, just ballpark. Would you have any idea?

Ms. Braun-Pollon: — Off the top of my head I don't have a percentage but I think it's probably 10 to 15 per cent, I would think.

Mr. Hart: — And of those members, how many of those contractors would have unionized employees versus non-union? Would you have any sense at all . . . I realize these are statistics and I'm sure you didn't anticipate this level of detail, but just to help us with a sense of, you know, who the people are that you are speaking for and that sort of thing.

Ms. Braun-Pollon: — I think that I'm speaking for all my members because what this does is not only with Bill 5 or 6, but this will again, I think, level the playing field and have Saskatchewan viewed as a place to invest. So you can look at it and say, well what does a small-business owner who's not unionized have any say in the secret ballot vote? Well they have a lot of say because some day they may be unionized and they would hope that they would be able to not only communicate with their employees, which they believe is a right, but also that their employees would have a very private place to not be coerced by employer or union to make a very important decision.

So our members have a view of labour laws that it's good for the whole economy. And many of our members will be benefiting from the major construction that we see, the various expansions to potash and such. The hospitality sector will benefit from that. The retail sector will benefit from that. So we can say this is just a construction issue. This is an economic issue and this is about building capacity for the future. And so Saskatchewan's small-business owners look at this very clearly. And it's interesting. When I saw the results from what the

priorities should be: number one, fix the roads — that wasn't a surprise — but you know, even before tax relief was a more balanced labour environment.

And so we've seen some of that with Bills 5 and 6, and we hope to see hopefully more changes in the future. Flexibility. And we're not saying scrap *The Labour Standards Act*. We're not saying any of that. What we're saying is that we need to modernize it. There's a one-size-fits-all for a workplace that has changed dramatically over the last 25 years.

The Chair: — Thank you, Mr. Hart. Our final question will be Ms. Junor.

Ms. Junor: — And it's also very short. But further to Mr. Hart's question. My question was, given the presentation we had from the CLR which represents all unionized construction employers — and they were definitely not supportive of Bill 80 — my question was, how many of your members, how many of the unionized construction employers do you represent when you speak on behalf of supporting Bill 80?

Ms. Braun-Pollon: — Right. I guess it goes back to my point that when you look at the competitive business environment, labour laws are important to our membership. And, you know, it would probably be a small percentage of those. And, you know, it's interesting that when Bill 5 and 6 were introduced, I know in the legislature there were some folks who said, well you know, does CFIB have the right to be here to speak on behalf of small-business owners on a secret ballot vote? And I say, yes, we do. We have every right to be here because we will benefit from additional contractors being here, competition for bidding on projects. And you know, if you look at CLAC employees that haven't been able to work here, will be here, my retail members, my hotel members, my members in rural Saskatchewan will benefit from those projects going forward.

Ms. Junor: — But your unionized construction employers will not be supporting Bill 80.

Mr. Braun-Pollon: — I haven't said that. I said CFIB has a role.

Ms. Junor: — They've said it. So if they're members of the CFIB, they are not going to be supporting Bill 80 because they have said that. So if they're your members . . .

Ms. Braun-Pollon: — No.

Ms. Junor: — That's what their submission says.

Ms. Braun-Pollon: — Whose submission?

Ms. Junor: — The CLR, the Construction Labour Relations Association of Saskatchewan, which represents the interests of all unionized construction employers. So they have said they do not.

Ms. Braun-Pollon: — But if some of those are members of mine . . .

Ms. Junor: — That's what I'm asking — are they?

Ms. Braun-Pollon: — CFIB, from a business perspective, represents our members' majority view, and the majority view is that they want more balanced labour laws.

Ms. Junor: — Thank you. That's the end of my questions.

The Chair: — Thank you, Ms. Junor. With that, we're at 4:18, 4:17 p.m. That brings us to the end of our time. Thank you very much, Ms. Braun-Pollon, for presenting on behalf of the Canadian Federation of Independent Business.

Ms. Braun-Pollon: — I appreciate the time. Given that I was the last presenter, I know that you've been through many questions, so I do appreciate the attentiveness that each of you gave our presentation today. Thank you.

The Chair: — Thank you very much. It is a very important subject that needs a lot of attention. With that we will adjourn till tomorrow at 12:15 p.m.

[The committee adjourned at 16:17.]