

**PRESENTATION TO LAW AMENDMENTS COMMITTEE
NOVA SCOTIA LEGISLATURE**

“Bill 148 - An Act Respecting the Sustainability of Public Services”

By Dianne Frittenburg, Secretary-Treasurer, CUPE Nova Scotia
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Good afternoon:

My name is Dianne Frittenburg and I am the Secretary-Treasurer of the Canadian Union of Public Employees Nova Scotia Division. The Canadian Union of Public Employees is Canada's largest union, with 634,000 public sector members working in almost every community across the country.

In Nova Scotia, we proudly represent more than 19,000 working women and men. Our members work on the front lines of our communities delivering public services to the people of Nova Scotia in home care support services, health care, community and social services, education, housing, libraries, municipalities, provincial highways, post-secondary education, early childhood education and care, and in other sectors of our economy.

I want to thank the members of the Law Amendments Committee for this opportunity to speak to this legislation.

The first point I want to make is that deep cuts will not sustain public services.

The compensation framework set out in this legislation of 0, 0, 1.0, 1.5 and 0.5 per cent are cuts to real wages. They will erase more than a decade of hard fought real wage gains.

The government says that it values the work of its public servants. But freezing the wages of public sector workers for two years and then legislating their compensation increases

does not show respect. This legislation is seriously impacting morale among public sector workers who are reminded again and again how little their employer respects the vital work they do. I am very disappointed that this government seems to see me and my fellow public servants as adversaries. I want to be a partner with our government to provide high quality services that Nova Scotians' need.

I would like to quote Prime Minister Justin Trudeau, who stated in an Open Letter to Canada's Public Servants dated September 2015:

"I believe that in order to have a public service that is valued by Canadians, and a source of pride for its members, it must be valued by its government. That begins with – and necessitates – respecting the labour rights of public servants, and trusting in their ability to provide effective, independent, and professional services for Canadians."

Short-sighted labour changes – driven by ideology rather than evidence, and made without a legitimate consultative process – are both disruptive and unsustainable.

Nova Scotia's public service needs to recruit and retain the best and brightest of the next generation. That's how we secure a strong economic future - by investing in public services and public sector workers - not by cutting wages and trampling on public sector collective bargaining rights. No wonder young people are leaving our province and looking for a future elsewhere.

The economic challenges facing Nova Scotia are the need for more jobs and better wages. The provincial unemployment rate is high at 8.5 percent. Household debt ratios have risen to ever higher records. The government's own financial reports repeatedly say that slower wage growth has led to lower government revenues and then to a higher deficit. Those are the real economic problems the government needs to solve.

Nova Scotia's deficit is very low, especially with economy still recovering from the 2008 recession. Nova Scotia's debt to GDP ratio is relatively low. Much of that debt was

incurred to build public assets—the roads, the bridges, the hospitals, the schools, the community centres, the libraries, the government buildings and so much else -- of the province. If you subtract the real value of those public assets and the value of the crown land and other non-tangible assets, I suspect their value would exceed the amount of this financial debt.

Squeezing wages is bad for the economy. Top economists from the International Monetary Fund (IMF), the World Bank, the Organisation for Economic Co-operation and Development (OCED) and even Standard and Poors are saying this. Freezing and cutting wages leads to a vicious downward cycle in the economy. Look at what has happened in New Brunswick where the previous Conservative government cut public spending and put the economy into recession. Unemployment rose dramatically, the province's revenues declined and its deficit increased instead of declining.

Is Nova Scotia going to be better off with fewer people working, earning less, and public services being reduced? A strong public sector with fair wages and benefits contributes to the strength of our province and economy.

Others here today will speak to the ways in which this legislation is likely unconstitutional. The Supreme Court has ruled that collective bargaining is a right. CUPE will continue to fight for the protection of democratic rights in our workplaces.

Freedom of association and the right to collective bargaining is a reflection of human dignity. It guarantees the ability of workers, and employers, to join and act together to defend not only their economic interest but also civil liberties such as the right to life, security, integrity and personal and collective freedom. It guarantees protection against discrimination, interference and harassment. It is an integral part of democracy.

Research and analysis have demonstrated that respect for freedom of association and the right to collective bargaining also play an important part in sound economic development. It has a positive effect on economic development by ensuring that the benefits of growth are shared, and promoting productivity and industrial peace.

CUPE Nova Scotia believes that the government of Nova Scotia should be signalling that we have world-class public services, with world-class skills and world-class rights and conditions. That is the economy of the future. That is the message that will attract immigrants and investment and jobs.

CONCLUDING REMARKS

In conclusion, CUPE Nova Scotia Division urges the members of the Law Amendments Committee to reject this Bill.



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