



Notes for a Submission

By

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To the
Law Amendments Committee
On
Bill 148 -
Public Services Sustainability (2015) Act

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Introduction

Thank you, Madam Chairperson and members of the Committee for the opportunity to speak to you about Bill 148 – the *Public Services Sustainability (2015) Act*. I am Jason MacLean (First Vice-President of NSGEU). With me is Ian Johnson, who is the Servicing Coordinator/Policy Analyst with the Union.

The Nova Scotia Government and General Employees Union (NSGEU) is the largest union in the province representing approximately 31,000 workers across the public sector in the provincial government, corrections, health care, public schools, community colleges, universities, municipalities, and community organizations.

We are here to speak out as strongly as we can against Bill 148, and to point out how fundamentally flawed and dishonest it is. This Bill adds to the continuing anti-labour legacy of the McNeil government, especially Bills 30, 37 and 1.

Workers' rights in general and collective bargaining in particular have been the prime target of this government from when it is assumed, despite its earlier commitments to us when seeking election and then, since coming to office. Under this government, collective bargaining has been on life support. With Bill 148, they have pulled the plug.

Disrespectful Process

We would firstly like to comment on the process leading to this Bill coming forward. We were not consulted about Bill 148, nor was the Nova Scotia Federation of Labour or other sister unions to the best of our knowledge. In fact, as recently as November 23, the Premier denied this legislation was being developed.

"Meanwhile on Friday, Premier Stephen McNeil denied contracts would be forced on anyone.... "Was I legislating a wage pattern? No, I wasn't." (CBC, Nov. 23, 2015)
(<http://www.cbc.ca/news/canada/nova-scotia/nstu-province-threat-contract-imposed-1.3330343>)

Even during the Minister of Finance and Treasury Board's media conference a few hours before the Bill was introduced, the Minister also denied there was any special measure being planned to deal with "labour" costs.

There had been very little notice to all interested people and the whole legislative process is once again is being rushed as though this is a dirty deed that must be done and disposed of quickly.

Frankly, the McNeil government has shown itself to be dishonest in its dealings with public sector workers and their unions. Labour relations has been set back at least 50 years by this government, and it will take a long time to recover assuming this government takes no more offensive actions against the labour movement.

Disrespectful of Collective Bargaining

One of the purposes of Bill 148 is supposedly to “enable and encourage meaningful collective bargaining processes”. But even a cursory read shows the opposite, that is, how disrespectful it is of the collective bargaining process. In fact, the Minister admits that any bargaining would be limited to working conditions. This is not collective bargaining.

Collective bargaining is a process whereby two parties of equal footing: the employees represented by the union of their choice and the employer, negotiate all matters affecting the work of the employees. A specific pattern imposed on employees is not collective bargaining. A specific length of agreement is not collective bargaining, and a specific termination of a benefit such as the Public Service or Long Service Award is not collective bargaining. Limiting the scope of arbitration in terms of the amount of allowable wage increases where that is already in place is not collective bargaining.

In fact, the chances of any collective bargaining occurring once these three specific terms are imposed by this legislation or the threat of it, is next to negligible. This Bill effectively stops whatever collective bargaining was underway, and prevents that which had not yet been started, from even beginning at all.

Ineffective Fiscal Measure

The Minister introduced Bill 148 with minimal notice shortly after releasing the latest Budget Update. The deficit is now forecast to be \$241.2 million, which is an increase of \$118.6 million from the September forecast update, and \$143.6 million higher than the budget estimate. Yesterday's update showed that the two main reasons for this dismal development were reduced revenues of \$9.8 billion down \$135 million from budget day, and a prior year's adjustment reducing revenues by \$86.1 million. Departmental expenses are relatively constant and the growth in the level of employee compensation has declined by 1.2%.

However, instead of tackling the principal problem of reducing revenues head on, this government continues the well-worn path of attacking workers' rights to fair and decent compensation, at least in line with the expected growth in the cost of living. How will a two-year wage freeze and very limited wage increases of 1 and 1.5% in the third and fourth year help to grow the economy? If Nova Scotian workers have less money to spend, they will spend less here or they may even leave the province altogether. Where is the logic in this approach? It has not worked in over 20 years of wage freezes, rollbacks, downsizing or contracting out. What evidence is there that it will turn things around? This is an ineffective and inhumane fiscal strategy.

It shows the government is not willing to take the kinds of measures, which were recently outlined in the 2016 Nova Scotia Alternative Budget released on December 7. That budget aims to promote tax fairness and redistribute income through a more progressive income tax system and an enhanced income assistance program, while being fiscally responsible and maintaining the real value of wages and benefits of public sector workers.

Likely Unconstitutional Bill

We believe Bill 148 if passed and proclaimed will be found to be found to be unconstitutional by the courts. In recent decisions, the Supreme Court has ruled that collective bargaining is a right.

In our view, Bill 148 interferes substantially with freedom of association in several ways:

1. It prohibits employers and unions from agreeing to wage increases over the 0,0,1.5 and .5 % over four years,;
2. It takes away any future accruals of the long standing freely bargained monetary benefit of a retirement allowance and accrued sick leave in certain circumstances and prohibits agreement to continue it in this four years, and
3. For employees whose right to strike is prohibited, it limits binding arbitration of bargaining disputes.

We already have legal challenges going forward on Bills 30 and 37.
Do you really want to add this Bill to the list?

Conclusion

For all these reasons, the Nova Scotia Government and General Employees Union is strongly opposed to Bill 148, even if it is never proclaimed. It represents a significant interference in the collective bargaining process that is completely wrong-headed and inappropriate.

We strongly urge the Committee to urge that the government withdraw this Bill, and allow negotiations to take place without this unwarranted interference.

We appreciate this opportunity to speak with you, and we welcome your questions or comments.