

Third Session – Forty-Second Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Legislative Affairs

Chairperson
Mr. Jon Reyes
Constituency of Waverley

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MANITOBA LEGISLATIVE ASSEMBLY
Forty-Second Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON LEGISLATIVE AFFAIRS

Thursday, April 8, 2021

TIME – 6 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Jon Reyes (Waverley)

VICE-CHAIRPERSON – Mr. Brad Michaleski (Dauphin)

ATTENDANCE – 6 QUORUM – 4

Members of the Committee present:

Hon. Mrs. Guillemard, Hon. Mr. Schuler

Messrs. Michaleski, Reyes, Sandhu, Wiebe

APPEARING:

Hon. Jon Gerrard, MLA for River Heights

PUBLIC PRESENTERS:

Bill 13–The Public Sector Construction Projects (Tendering) Act

Mr. Paul Moist, Canadian Centre for Policy Alternatives, Manitoba

Mr. Kevin Rebeck, Manitoba Federation of Labour

Mr. Sudhir Sandhu, Manitoba Building Trades

Ms. Tanya Palson, private citizen

Mr. Chris Lorenc, Manitoba Heavy Construction Association

Mr. Kyle Kalcsics, Plumbers & Pipe Fitters, Local 254

Mr. Marc Lafond, Operating Engineers, Local 987

Ms. Aarti Sharma, private citizen

Mr. Kyley Parker, private citizen

Mr. Jeff Skinner, International Brotherhood of Electrical Workers, Local 2085

WRITTEN SUBMISSIONS:

Bill 13 – The Public Sector Construction Projects (Tendering) Act

Darryl Harrison, Winnipeg Construction Association

Yvette Milner, Merit Contractors Association of Manitoba

Nathan Koslowsky, Christian Labour Association of Canada, Local 152

Mike Martens, Progressive Contractors Association of Canada

Bill 20 – The Vehicle Technology Testing Act (Various Acts Amended)

Denys Volkov, Association of Manitoba Municipalities

MATTERS UNDER CONSIDERATION:

Bill 13 – The Public Sector Construction Projects (Tendering) Act

Bill 17 – The Drivers and Vehicles Amendment Act

Bill 20 – The Vehicle Technology Testing Act (Various Acts Amended)

Bill 23 – The Highway Traffic Amendment Act (Control of Traffic by Flag Persons)

Bill 28 – The Water Resources Administration Amendment Act

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Mr. Chairperson: Good evening. Will the Standing Committee on Legislative Affairs please come to order. Our first item of business is the election of a Vice-Chairperson.

Are there any nominations?

Hon. Sarah Guillemard (Minister of Conservation and Climate): I nominate MLA Michaleski.

Mr. Chairperson: Are there any other nominations? Being none—Mr. Michaleski has been nominated.

Are there—hearing no other nominations, Mr. Michaleski is elected Vice-Chairperson.

This meeting has been called to consider the following bills: Bill 13, The Public Sector Construction Projects (Tendering) Act; Bill 17, The Drivers and Vehicles Amendment Act; Bill 20, The Vehicle Technology Testing Act (Various Acts Amended); Bill 23, The Highway Traffic Amendment Act (Control of Traffic by Flag Persons); Bill 28, The Water Resources Administration Amendment Act.

I would like to inform all in attendance of the provisions in our rules regarding the hour of adjournment. A standing committee meeting to consider a bill must not sit past midnight to hear public presentations or to consider clause-by-clause of a bill, except by 'unanimous' consent of the committee.

Written submissions from the following persons have been received and distributed to committee members: Darryl Harrison, Winnipeg Construction Association, on Bill 13; Yvette Milner, Merit Contractors Association of Manitoba, on Bill 13; Nathan Koslowsky, CLAC, Local 152, on Bill 13; Mike Martens, Progressive Contractors Association of Canada, on Bill 13; Denys Volkov, Association of Manitoba Municipalities, on Bill 20.

Does the committee agree to have these documents appear in the Hansard transcript of this meeting? Agreed? *[Agreed]*

Prior to beginning with public presentations, I would like to advise members of the public regarding the process of—for speaking in a committee. In accordance with our rules, a time limit of 10 minutes has been allotted for presentations with another five minutes allowed for questions from committee members.

If a presenter is not in attendance when their name is called, they will be dropped to the bottom of the list. If the presenter is not in attendance when their name is called a second time, they will be removed from the presenters' list.

The proceedings of our meetings are recorded in order to provide a verbatim transcript. Each time someone wishes to speak, whether it be an MLA or a presenter, I first have to say the person's name. This is the signal for the Hansard recorder to turn the mics on and off.

Also, if an—any presenter has any materials for distribution to the committee, please send the file by email to the moderator, who will distribute it all to committee members.

Thank you for your patience.

Bill 13—The Public Sector Construction Projects (Tendering) Act

Mr. Chairperson: We will now proceed with public presentations.

I will now call on Paul Moist, Canadian Centre for Policy Alternatives, Manitoba, and ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

Mr. Moist, please proceed with your presentation.

Mr. Paul Moist (Canadian Centre for Policy Alternatives, Manitoba): Thank you, Mr. Chairman, members of the committee. My name is Paul Moist,

I'm a research associate with the Canadian Centre for Policy Alternatives.

We're a non-profit, independent research organization and we provide public commentary on many issues, including Bill 13 tonight.

We support the broad positions that have been outlined by the Manitoba Building Trades and the Manitoba Federation of Labour. Secondly, we oppose the ending of quality project labour agreements, which have existed in Manitoba for over 50 years and support good-paying jobs, worker training and safety on all government project construction sites.

I also had distributed to committee members, in addition to this presentation, a bit of a historical document by author Doug Smith. Project labour agreements were brought into Manitoba by the Conservative government of Duff Roblin, based on problems—and this article from Mr. Smith talks about problems at the Kelsey and Grand Rapids as those generating stations were being developed.

We reject the characterization of PLAs as forced unionization. Manitoba courts have rejected this assertion by the merit contractors, as did the Supreme Court of Canada in refusing to hear their 2012 legal challenge. We oppose the damage that Bill 13 will impose on Manitoba's skilled trades workers. Allowing private firms to pursue more profits by paying workers less is simply wrong and it turns back the clock, as I say, over five decades.

The article by Mr. Smith, which I've had circulated to each of you, is from 2017. And one quote from it, historically, the reason for PLAs, if wage rates were fixed, contractors would be obliged to compete, based on skill and ability, rather than their ability to cut wages. And that's part of Mr. Smith's passage.

He talks about a former member of the Legislature, the late David Orlikow, who went on to a career as an MP, but in 1959, he was a member of the Legislature for the Co-operative Commonwealth Federation, and he spoke to the Legislature about what was existing on hydro construction sites prior to Mr. Roblin's government bringing in project labour agreements.

We think that Manitoba would be my—wise to look west to British Columbia.

They have now enacted community benefit agreements in 2018, and four points on those include: maximizing apprenticeship opportunities on major public infrastructure projects; priority hiring and

training for Indigenous peoples and women; wage alignment to prevailing industry rates to promote good wages for all, wages able to support families; and, lastly, every collective bargaining agreement must include a no-strike clause, ensuring no labour disruptions, once you've signed on to a project labour agreement.

I'll wrap up, Mr. Chairman, by saying, like BC, Manitoba faces skilled trades shortages and a shortfall in terms of private sector apprenticeship opportunities. The COVID pandemic underlines the importance of strong support systems to sustain labour force participation rates.

Building trades unions have invested millions in training facilities. It's interesting to note that many who are opposed to project labour agreements are not themselves involved in training skilled trades workers. For these groups, it's the bottom line only that is driving their opposition to project labour agreements. And this stance found its way into the Conservative Party election platform in 2016, when the PCs said competing in the election, quote, shop smarter with government purchasing by reducing the number of untendered contracts and ending forced unionization of company employees in order to work on public contracts.

As mentioned, project labour agreements do not force unionization on anyone. They do promote fairness and prevent a free ride for those who do not invest in either trades training or apprenticeships. We submit that Bill 13 should be withdrawn,

Thank you, Mr. Chairman. If there's any questions, I'm happy to try to answer them.

Mr. Chairperson: Thank you for your presentations.

Do members of the committee have questions for the presenter?

Hon. Ron Schuler (Minister of Infrastructure): Yes. Thank you very much, and, Mr. Moist, great to see you again. Very unique way of doing business these days, where we do it remotely and, anyway, nice to see you up on the screen. Thank you very much for your comments, and I will allow others on the committee to ask some questions.

Mr. Matt Wiebe (Concordia): Well, thank you very much, Mr. Moist, for joining us here this evening.

It is good to see you and really good to have such a well-researched paper for us to digest as a committee. I'm always appreciative of the work that the CCPA does, in terms of doing the research and

making sure that everything that's presented here before the committee and in other formats are—is always well-researched and always something that we can rely on and we can work with as a—as legislators. So this is very well presented. Thank you very much.

My question is just about, sort of, the projects that would fall under these project labour agreements. Just wondering what the, you know—sort of—looking forward in terms of what we might expect in Manitoba, what are some of the projects that might be affected by this change and this actual ban of project labour agreements that's being proposed here by this legislation?

Mr. Moist: Well, thank you for the question, and through the Chair, two most recent examples that come to mind, and there's upcoming infrastructure that all parties are asking for, but the two expansions of the floodway since the flood of the '97 were very labour-intensive projects and they were 'encapsulated' with project labour agreements and Hydro development projects, two of whom have recently been in the news a fair bit. They, too, had project labour agreements.

* (18:10)

Mayor Bowman spoke yesterday on the provincial budget, and he's talking about multi-billion dollar requirements for correcting our North End treatment plant, separating sewers—the combined sewer systems in the older parts of Winnipeg. You can expect that those would be largely tendered projects to private firms—the public sector doesn't do massive projects like that—but they would fit right up in the ballpark of a project labour agreement.

So, Manitoba is, like all provinces, facing many infrastructure needs and asking of the federal government, quite appropriately—all parties in the Legislature are doing this—quite appropriately asking for support from the federal government to build our province, and these massive projects—not small-scale projects, but massive construction projects—Premier Roblin decided to take wage competition out of the picture by signing project labour agreements.

It's no different than the current government bringing in place a mandatory requirement for paramedics to join the College of Paramedics that they've formed since 2016. There's many things in society that are mandatory. In the case of paramedics, the Province, in their wisdom, has decided that there should be a central body that, for professional reasons, all paramedics must belong to.

Project labour agreements mean that all workers belong to them and enjoy a living wage. They do not have to sign a union card—they should, in my view—but there is no forced unionization, but it's just as Ivan Rand decided in the 1950s, nor is there a free ride. All members will pay dues because they benefit from the negotiations, in this case, of the building trades.

And if it's fine in society to have mandatory affiliation to various bodies—and I believe it is in the public interest, it's absolutely in the public interest, to have fair wages and not to have a race to the bottom for any worker in Manitoba.

Hon. Jon Gerrard (River Heights): Unmute. There we go.

Now, my question, Mr. Moist, is this: If you can provide a little bit more detail. I see that this article talks about the fact that the construction of the Kelsey and Grand Rapids Hydro stations were marked by conflicts and controversies that proved embarrassing to the provincial government and to Manitoba Hydro.

Can you expand a little bit about what happened at those two dams that was the—well, the starting point for having project labour agreements? What sort of problems were there?

Mr. Chairperson: Mr. Moist, and if I could ask you to just answer the question quickly as your time will be running out. Thank you.

Mr. Moist: Thank you for the question.

MLA Orlikow, in 1959, was barred by the companies from attending on-site. He was up there visiting workers. He was then allowed in to see the workers at Kelsey. He'd reported back to the Legislature, seven-day-a-week operations, daily shifts of 11 and a half hours and, under certain provisions, a maximum work week of 80 and one half hours at straight-time rates.

They talked about forestry workers clearing the bush up there for construction of the Hydro project, supposed to be paid \$150 a week, but the contractor took half of that and paid them \$75. On paper, it appeared that the forestry workers were making X, but the testimony of Mr. Orlikow was they were making Y.

So, there were countless examples of shoddy treatment of workers on these sites—

Mr. Chairperson: Thank you. *[interjection]*

Hi. Mr. Moist? Thank you.

The time for questions is over for this presenter.

I will now call on Kevin Rebeck, Manitoba Federation of Labour, and ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

Mr. Rebeck, go ahead with your presentation.

Mr. Kevin Rebeck (Manitoba Federation of Labour): The Manitoba Federation of Labour is Manitoba's central labour body. We represent the interests of over 100,000 Manitoban workers, and we're firmly opposed to this bill, as it will ban the decades-long tradition of using project labour agreements or PLAs to build large public infrastructure projects in our province.

PLAs ensure good jobs for Manitobans and proper training and safety on public infrastructure projects. It's disappointing that the Pallister government would let its narrow, ideological vision cloud its judgment and fail to support Manitoba's skilled workers. By balancing value for taxpayers with investment in Manitoba workers, these agreements benefit working families, our economy and all Manitobans who benefit from the vital infrastructure that's built to last, by workers who make a decent living. Manitoba's labour movement has been clear all along that PLAs are the right way to go because they've served Manitobans well for decades. To put in plainly, if it ain't broke, don't fix it.

Cornell University conducted a comprehensive study of PLAs in 2011. They examined 185 PLA jobs in the United States. It concluded that PLAs benefit everyone involved: the construction industry, contractors, workers, local communities and taxpayers. The Cornell report stated that the reason for the industry's reliance on PLAs is clear: they provide value for government and the industry by producing the best work for the money with on-time, on-budget performance.

Because PLAs are negotiated pre-bid and tailored to the needs of projects, they give project owners, contractors and workers a unique opportunity to avoid potential problems that might put up roadblocks once a project's under way. They prevent fly-by-night contractors from driving down wages and providing poorly trained workers to win contracts, and they provide the best value to Manitobans for a large-scale construction projects. They also ensure that workers are paid fairly, benefitting our economy by providing good jobs for Manitobans. These agreements have delivered valuable and vital infrastructure for decades,

since being introduced to Manitoba by Progressive Conservative Premier Duff Roblin to build the floodway.

Under a PLA, common wages and working conditions are established for large groups of contractors and a diverse transient workforce by requiring all contractors to pay fair wages under one collective agreement. Contractors are selected for productivity and quality, not just price. PLAs consistently deliver high-quality roads, hospitals and other infrastructure. Work environments on these projects are complex and dozens of employers and hundreds to thousands of workers may come in and out over a long period of time, like a Manitoba Hydro dam.

In such complex work environments, PLAs provide for stability through consistent labour standards, wages and human resource procedures and practices, while also guaranteeing there'll be no strikes or lockouts for the full duration of each project. Without PLAs, governments will inherit unknown risks, creating significant uncertainty about costs, quality and timelines on Manitoba construction projects.

And while right-wing commentators and this government continue to peddle the myth that these agreements are forced unionization, under PLAs any contractor, small or large, union or non-union, is free to bid for work. If they win a tender, then they're required to pay fair wages to their workers and pay a fair share of the cost to training workers.

Thankfully, some members of this government have seen the light. For instance, the previous minister of Infrastructure had the courage to tell the truth in the face of this false rhetoric. According to then-Minister of Infrastructure Blaine Pedersen's comments in Hansard from June 28th, 2016, there is no forced unionization in a project labour agreement. In a project labour agreement, there is not a compulsion to join the union. It's what he said.

I'd encourage the current Minister of Infrastructure (Mr. Schuler) to follow the lead of his predecessor and admit the truth. And to put some more facts on the table to dispute this government's bogus rhetoric, more than 77 per cent of contractors at the floodway expansion and Keeyask dam projects have been non-union contractors.

PLAs should be maintained in this province. They have tremendous value to Manitobans—they've provided tremendous value to Manitobans for

decades, by ensuring workers are paid fairly and by investing heavily in training and skill development. The focus on highly skilled labour delivers high productivity to large-scale construction projects. In fact, the recent floodway expansion under the NDP government came in \$38 million under budget, demonstrating the productive value of PLAs.

We know that governments look to find savings on each and every infrastructure project, but short-changing Manitoban workers and compromising on quality is not the answer. Time and again, we've seen that cheap labour is not skilled labour and skilled labour is not cheap. Ask anyone who's had a bad experience with a home renovation. It's better in the long run to pay for the job to be done right the first time than to have to pay twice to fix someone's shoddy work.

* (18:20)

I want to focus my comments on three key benefits of PLAs: local jobs for Manitoban workers, training and skill development and workplace safety. Manitobans want their government to invest in creating good-paying local jobs for Manitoba workers—Manitoba workers who are building the infrastructure we all rely on deserve family-supporting jobs, and PLAs ensure that's the case.

Bill 28 will leave us vulnerable to more out-of-province workers, leaving fewer high-skilled, high-paying jobs for Manitoba families to benefit from. Why is the government of Manitoba wanting to make it harder for Manitobans to get good, family-supporting jobs? Supporting local job creation means more of the wages of public projects paid to workers stays in Manitoba and in our economy.

PLAs are also effective in engaging Indigenous workers, as was the case during the floodway expansion project. Manitobans want to know that their government is prioritizing Manitoba's workers and Manitoba's communities first when it comes to building public infrastructure. PLAs do exactly this by setting clear standards that protect local employment opportunities and mandate safe, high-quality construction projects that are built to last.

If local workers can't benefit from local builds, the Manitoba workforce and economy cannot meet their potential. And if local workers can't benefit from local construction, the Manitoba workforce and economy cannot meet their potential.

Another key benefit of PLAs are the training opportunities they provide for workers from all walks

of life, including youth, veterans, women, new Canadians, Indigenous people and visible minorities' access to training, apprenticeship and career advancement. We know that in today's economy training and apprenticeship are key to supporting meaningful work for underrepresented populations and help young people build their futures right here at home.

That's why all governments of all political stripes have relied on PLAs. Contractors partner together to focus on training and skill development through PLAs so these projects consistently deliver higher value for money. These investments deliver the most highly skilled and productive workforce in the industry, translating into higher productivity. PLAs ensure we continue to develop talent in the industry. Contractors who want to grow their business make significant investments in developing cutting edge training facilities for apprentices and tradespeople.

One of the biggest challenges facing the construction industry today is the need for more skilled workers. PLAs include provisions for workplace development and apprenticeship programs that train workers for careers in construction, using formal standardized curriculums. It's one of the most significant benefits of PLAs.

A highly skilled workforce not only helps to finish projects on time and on budget, but also helps to create a culture of safety on the job site. All workers deserve to come home safely every night to their homes and loved ones. When it comes to protecting the safety of workers on the job, PLAs work well because they provide for consistent safety standards across the board and establish committees and forward-thinking protections to address safety and health issues.

Getting rid of PLAs would mean more workers in Manitoba would see their right to a health and safety workplace at risk. Safety standards mandated by PLAs are transparent and accountable, with common understandings over what safety means being shared across a project. Getting rid of PLAs would mean more workers in Manitoba would see their right to a healthy, safe workplace put at risk.

The MFL believes that this government should withdraw this proposed legislation because it's a bad bill for Manitoba workers and our economy. It will only lead to greater use of cheap and out-of-province labour and lower safety and training standards on job sites across the province.

We urge this government to follow in the footsteps of previous progressive conservative governments, like those of Duff Roblin, Sterling Lyon, and Gary Filmon and continue to go with what works when it comes to the building infrastructure we all benefit from, rather than pursuing a narrow, ideological agenda that will hurt our economy.

The move to ban PLAs is a move towards instability for our workers and communities. This bill is not worth the risk to Manitoba workers or to our economy.

Thank you.

Mr. Chairperson: Thank you for your presentations.

Do members of the committee have questions for the presenter?

Mr. Schuler: Thank you very much, Mr. Rebeck, and great to see you at committee. I'd really appreciate if we could have everybody back here in this room like the good old days, but this is the way we're doing business right now. Great to see you, at least on screen.

I did want to just sort of reference, the previous speaker spoke about the BC example and the need for a PLA to protect wages, and that's probably because in BC they don't have prevailing legislation, which we have here. So, in your—it's the fifth paragraph, you mention that fly-by-night contractors could drive down wages. That actually wouldn't be the case because we have prevailing legislation which protects workers' wages and it is protected right there.

So I just wanted to make that comment, and all that this does is it says that when a—contractors or individuals put in bids, that their union status is not one of the considerations for getting the job. It does not mean that there's less safety or less wages or any of that; those standards still apply, as they do today.

So, I guess we can agree to disagree. Great to see you again and thanks for being here.

Mr. Rebeck: Yes, although we do have a Construction Industry Wages Act that creates a real floor, that wages can't be dirt cheap or minimum wage, it still can drive down wage costs and rather than competing on just who gives you the cheapest option of work labour, you can get quality standards that everyone makes a fair and living wage that's consistent, and that driving costs down isn't the reason someone might be successful giving—getting a bid.

Mr. Wiebe: Well, thank you very much, Mr. Rebeck, for your presentation. It was very comprehensive, I guess I would say, and to me, lays out a pretty solid case for continuing what's already working. And, in fact, what's in the past been supported across the board and really hasn't been a partisan issue, it's really been about, as you said, the quality of the work and controlling costs and making sure that there's some predictability there.

What I did want to ask you about though is specifically about workplace safety and health. I know the MFL has done a great job in promoting workplace safety and health; it's been a big priority. And I just wanted to maybe give you a few more minutes just to kind of dig into that—exactly how project labour agreements can ensure that workers are safe and that, you know, that that's a priority for anyone that's doing work on any one of these projects in Manitoba.

Mr. Rebeck: Thank you.

Yes, a project labour agreement creates a collective agreement, a clear set of expectations and standards that all contractors will adhere to. So you're setting up health and safety committees that are going to meet regularly and deal with things.

It also can create standards that can ensure we have a one-to-one ratio, now that we no longer have that as a legal requirement in the province of Manitoba. We could, in a project labour agreement, ensure that electricians are going to be working on a one-to-one basis to be safe and not be at risk when they're working as a third-year apprentice and not off working on their own. We can make sure that they are protected and given guidance and instruction that keeps them safe.

Having a project labour agreement gives you some clear parameters, direction and processes to deal with and create space for you to bring forward health and safety issues and concerns.

Mr. Schuler: And, Mr. Rebeck, the contracts that we have in place now—and which would be going with in the future—the contracts lay out the safety requirements and expectations and standards. All of that still applies.

So what would be the difference between a PLA or a regular contract when the only difference is that the status—the unionization or non-unionization status is not one of the things that would be considered when all the safety requirements, the wages are still—the prevailing legislation is still in place?

So, what really changes, other than that you can't use the unionized status or the non-unionized status as being one of the things that gives you a leg up on getting the contract?

All the rest of it stays, all of the expectations and standards, safety requirements and wages.

Mr. Rebeck: So, one of the things that would change would be the process.

So, under a project labour agreement, people are not forced to join a union, but they are given a collective agreement that includes processes like a grievance process, like protection, like knowing that someone has their back if they speak out and they can be free from retribution or other actions that might come back to them, because they have a third party who can also intervene and help enforce and ensure safety standards are being met.

It's one thing to have them on paper; it's another thing to know that you have that ability to raise those concerns, bring them forward and have advocates and experts that can lend their support and help make sure that they're adhered to.

Mr. Chairperson: Mr. Rebeck, thank you for your presentation.

I will now call on the next presenter. The next presenter is Sudhir Sandhu, Manitoba Building Trades. I'll ask the moderator to invite them into the meeting.

Please unmute yourself and turn your video on. Mr. Sandhu, please proceed with your presentation.

* (18:30)

Mr. Sudhir Sandhu (Manitoba Building Trades): Good evening, again. I appear before you, representing 13 of Manitoba's skilled trades unions and their 10,000 members.

You will hear a lot of facts presented to you today, and I appreciate the information that's been tabled by and presented in person—at least over Zoom—by Mr. Moist and Mr. Rebeck. You will hear a lot of facts and you will have a lot of opinions before you, and I will note that the opinions that you have, as a committee and as a legislature, will be in writing and those that are presenting facts will be standing themselves personally before you through the electronic medium.

So I'm going to do something different. I'm not going to rehash the facts that we've discussed and, minister, you will know we have gone over these facts

with you many times and I've always appreciated the opportunity to do so. But let's deal with—let's take a different approach to this. Let's appeal to something else other than facts and opinions.

So, Manitoba Building Trades, in late 2020 we opened one of Canada's largest privately owned trades technical training facilities. There's nothing like this in Canada. It was privately paid for with private money, without going to any level of government to ask for any subsidy whatsoever. I would to—you to compare that record with many corporate entities that invest in our provinces and what they seek in return. We ask for nothing. We invested in our province.

So, from the outset, we wanted this facility not only to be a centre of excellence for trades training. We wanted this facility to be connected with our community. We wanted to acknowledge the roots of not only our people but Manitobans, Canadians, who have significant differences to our lives and to our communities.

So, in order to do that acknowledgement, to build that connection, our facility has many spaces named after important Manitobans and Canadians. These are people who changed our lives, who built our systems, who built our democracy. I'll name a few of them for you. These people include Sergeant Tommy Prince, a decorated war hero, a room—at least one of three people who have a street named after them. We wanted to acknowledge Sergeant Tommy Prince for what he has done and, Mr. Chair, given your military service, you'll know why that's important.

There is spaces named after Louis Riel, who's widely acknowledged as having created our province. There is J.S. Woodsworth, there's Nellie McClung, there's Helen Armstrong, just to name a few. And then there's one particular name that has a strong connection to what is before us today, Bill 13. One of the spaces in our facility is named after Premier Duff Roblin.

Premier Roblin was a person of courage. Both speakers before me have referred to Premier Roblin, who's a person of courage, conviction, foresight. He declined to be beholden to narrow interests or any group and instead, did what was good for Manitoba. He had the vision to forge ahead with the floodway and, as he did so, he also had the vision to introduce project labour agreements, what are now commonly in modern parlance called community benefits agreements.

So, that's his legacy. And as today's legislators, I would like you to think of your own legacy. Will your name end up in buildings or on buildings 50 years after you're done serving? You carry an important torch for all of us. You are our representatives and your legacy is what will shape our life 50 years from now. Not mine—I have enough grey hairs to not have expectation to be around 50 years hence, but my children will. Will they remember your names?

I say this with the greatest of respect: passing legislation like Bill 13 will not create a legacy worth remembering or acknowledging—not a year from now, certainly not 50 years from now. You have choices to make as to how you wish to be remembered and what you wish to be remembered for.

A few points I just want to lay before you. There is no law—there never has been a law in Manitoba that required or imposed the requirement to have a project labour agreement or community benefits agreements, for that matter. There has never been a law. Yet, we are here today contemplating a law to prohibit something that has never been required by law.

I've spoken to, again, many of you in person, and the factual and evidentiary foundation of Bill 13 that you have in writing before you from the supporters that want this legislation—it is a house of sand. It's a house of cards. It has no factual basis and foundation. Yet, here we are, insistent on passing legislation that has no purpose, no value, no rhyme, no reason and certainly is not a legacy worth building. Yet again, here we are. We expect that the interests that are pressing for this vacant law will prevail and we expect they will prevail and they will be pleased with what they have accomplished.

But I will tell you what will not happen in the future. Both speakers before me referenced Keeyask. Minister Schuler, that is a project that is in your portfolio. I am proud to say, under the collective agreement and the project labour agreements and the community benefits components of that agreement that have prevailed at Keeyask, we have celebrated now well over 10 million Indigenous hours worked on that project in good, well-paid, meaningful work. That's a legacy that's worth noting.

So when it comes to your legacy, this act will ring very hollow. I bear—please forgive me for saying so, but that is as hard a fact as others that have been presented to you before. This is an ordinary act. It's an ordinary piece of legislation and it has no extraordinary vision or thought behind it to justify it or to give it purpose.

Today, or 100 years from now, this Legislature, your Legislature, our representatives, you ought to be more—you ought to pursue higher ideals and pursuits than allowing a narrow constituency that has filled a fallacious argument that somehow project labour agreements and community benefits agreements harm us, when they do things like generate over 10 million hours on a single project where a constituency that is desperate for work.

We simply ask you to stop. Please, just set this aside. Do something that takes courage. Do something extraordinary. Set this aside. There are people that will be upset with you if you do so, but I will challenge you on one point. They say they will save you money in the absence of community benefits agreements and project labour agreements. They will not quantify in any of their written submissions as to how much money they will be saving this province, saving you as a government and saving the rest of us as taxpayers, because that is fallacy. It is fictitious. Those numbers have never been true.

And minister, I don't want to address the question you raised to a prior speaker, but project labour agreements in Manitoba have never ever, ever—in fact, we would argue it would violate Manitoba's Human Rights Code for the union status of any bidder to be taken into account. That has never been true. That is one of the fictitious things that has been bandied about by those who are proponents for this bill. It is complete fiction. It has never been true.

I will stop here. Thank you for your indulgence, and I just hope that—it is disheartening to me, at this point, and to be at this stage as a Manitoban—forget our respective roles on our day-to-day jobs—that when facts give way and yield to fiction, we all lose. And I hope you will not let that happen.

I will stop there and I would be happy to answer any questions.

Thank you.

Mr. Chairperson: Thank you for your presentation.

Do members of the committee have questions for the presenter?

Mr. Schuler: Well, thank you very much, Mr. Sandhu, and great to see you.

It would be nice to have you at committee, and know Mr. Moist and Mr. Rebeck also did theirs remote. They were not in the room. And so, just to make that clear, they were not here. But great to see you, and hopefully at some point in time we can get

back to normal committees and can greet you here in person.

I just want to be very clear that this isn't fictional that we're talking about. In fact, under the Burntwood/Nelson Agreement, 12.2.1, I'd like to read: Except as provided in letter of agreement No. 3, all employees shall, as a condition of employment and/or continuing employment, be members or obtain membership in the appropriate union of the council and maintain such membership in good standing; 12.2.2: The contractor shall, at the time of hire, advise all employees who are not members of the appropriate union that they are required to secure such membership within 30 calendar days of being hired.

So it's actually in the Burntwood/Nelson Agreement. I mean, it is there.

I don't think that we're saying unionized or non-unionized status compromises or harms anybody or any construction project; all—what we are talking about is that there be a matter of choice. And we believe that this is an issue of choice. I understand that, for some, this is a little bit more emotional, and I always appreciate our conversations. I know how passionate you are about this, but this is really about choice and that the—whether it's a unionized or non-unionized business should not play into whether or not somebody can bid and get the contract.

* (18:40)

And Mr. Rebeck admitted that you had to join a union. He said so himself, that then you had somebody who had your back. A union can't have your back if you're not a union member.

So, Mr. Rebeck admits it; it's part of the Burntwood/Nelson Agreement. There are precedents where you had to have a union card membership to be able to work on these sites, so, yes, the forced unionization is real; it's not fictional.

Great to see you again. Thanks for being here.

Mr. S. Sandhu: And I, as well. It's always a pleasure to see you in person, and I look forward to when this is passed us and we too.

You're absolutely correct. For the duration of the project, after a union or a non-union contractor is selected, they must work under the—under common terms.

Imagine, Mr. Minister, if you had a 30-per-cent—and I've worked in these environments. I worked for

the City of Winnipeg; I've managed labour relations and collective agreements as a manager at the City of Winnipeg. It is a painful exercise to manage multiple collective agreements in the same department. Imagine doing so in a project that has 3,000 workers at peak and 32 different HR systems in place.

What the PLA—what the burnt—BNA has done is imposed a singular set of human resource policies, procedures and systems in place, and if those who call that forced unionize cannot see the value, they need to have walked in my shoes as a manager, managing union collective agreements or non-union collective agreements where multiple systems exist. It is devastating.

So, in that context, and it should be very clear that any contractor that comes under the BNA and works at a Hydro project, the minute they leave, they are non-union. That does not carry forward with them, and as unions we are prohibited from organizing any contractor who happens to be non-union, but it is wonder—working under a collective agreement.

At Keeyask, for example, we are bound not to try to organize them. So, in fact, it gives you an immunity card if you're a non-union contractor, to come work at Keeyask because as a—under a collective agreement.

So these are nuanced issues, Mr. Minister, and there's—there are multiple facets to this. It is, you know—I just don't like simple buzz phrases like forced unionization because they detract from nuanced, thoughtful discussion and they don't contribute anything to it. I regret to say this, but that's just my view.

Mr. Wiebe: Well, thank you very much, Mr. Sandhu, for joining us here. Again, I'm not sure if this bill in a previous iteration ended up coming to committee, but I've certainly heard your passionate words before, both in a personal level, but in the media and elsewhere, and I think you've done a really good job of sort of boiling it down.

And, you know, the minister might say that, you know, you're emotional or it's an emotional issue, but I think what you're doing is you're trying to put a human face to the membership that you represent and let us know, as a committee, just how this is going to affect so many hard-working Manitobans.

So I think you've done a really good job in laying all of that out, and I appreciate your time. I think you've also done a good job in sort of laying out exactly how this protects both unionized and

non-unionized workers, and I agree with your point 100 per cent that that sort of buzzword, you know, snippet, kind of, of language doesn't really help anybody, and I think what you're trying to do here is do best for both Manitoba taxpayers and for the workers who are going to perform these jobs.

I don't have a question, but I just wanted to thank you and just say that, you know, that we've stood shoulder to shoulder with you and with others who have called this bill out and we stood up against this bill. As a majority government they, you know, the government can continue to plow through and push ahead, but I just wanted to say thank you for the work that you've done on the ground. We're going to continue to stand with you here in the Legislature every step of the way.

Mr. Chairperson: The time for questions for this presenter is over.

I will now call upon Tanya Palson, private citizen, and ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

Ms. Tanya Palson, please proceed with your presentation.

Ms. Tanya Palson (Private Citizen): Thank you for having me, Chairperson and Vice-Chair and standing committee members.

My name is Tanya Palson, and I'm here speaking as a concerned private citizen, as well as contributing to the statements made on behalf of Manitoba Building Trades, of which I am part of, as well as our 13 member unions.

Again, I want to just reiterate a bit of who we are and Sudhir had just spoke previously so some of this will have been covered. But together with our affiliate unions we represent roughly 10,000 skilled trades professionals and as a private sector entity, we work as a human resource and project partner with many of the large unionized general contractors in Manitoba. And we are the only construction association that represents the needs and interests of on-the-tool, on-the-ground workers.

Our tradespeople work in industrial, commercial, institutional sector of the construction industry so they build big. They're the ones who build schools, hospitals, entertainment complexes, power generating stations and more of the critical infrastructure our province relies on. As a provincial council, we have our eye on workforce development of both current and prospective skilled trades workers in Manitoba.

Nationally, we're facing a skilled trades worker shortage, due largely to increasing rate of retirement and decreasing apprenticeship entry and completion. The same holds true for Manitoba.

These two factors—entry into the workforce and apprenticeship completion—are the best message—best methods of ensuring that we have a local, skilled workforce, who's able to continue to build the critical infrastructure of our province. With an equity lens but also the reality of changing demographics, it's necessary that women, Indigenous people and other marginalized groups be attracted to and supported in their trades careers.

Bill 13 would destabilize a method of achieving these important outcomes, project labour agreements, making them, in their traditional form, illegal but also creating a barrier for similar forms of labour management, as well as opportunity generation and recruitment of under-represented groups, in the form of community benefits agreements, which are procurement tools that are rapidly gaining popularity in many jurisdictions across Canada, both federally, provincially and municipally, for their social outcomes and their long-term, downstream cost savings for government services, like health and justice.

But it's some important things about project labour agreements in construction specifically and a lot of these have been touched on already and I'm sure will be touched on and reiterated with speakers following myself. But I want to talk about the training and apprenticeship opportunities, the recruitment of local workers, particularly northern and Indigenous, and the safety protocol that affiliates—that your affiliation assurance that all members follow.

So, (1) PLAs are critical to help workers develop their skills on the job site. This is critical for training apprentices who can often then gain the experience they need for each level within the duration of one or two big projects. And, as Sudhir had mentioned, we have seen many Indigenous workers enter through work readiness programs, in advance of Keeyask, knowing that there was a mandate to hire Indigenous workers. And those workers have been able to complete or be close to completing their levels on a project in achieving journey person or Red Seal status.

Without a PLA, this would not have happened, in the North especially, where there is much less opportunity to start an apprenticeship program, much less get in hours to become a journey person or Red Seal in a trade.

So, losing this ability would be a detrimental loss to a very relatively simple—maybe not simple but something that's used in other jurisdictions to see this value and it's something that will get lost when we're spending public dollars on a project. We're not going to be able to see as much benefits or those intangible benefits that could be produced through a PLA or a community benefits agreement.

Secondly, PLAs ensure that Manitoba's—Manitoba workers get work first, for the most part, and this has not always been the case. Manitobans will and continue to lose out on jobs that were—are built right in their backyard. And this is especially important for Manitobans in minority groups that depend on labour agreements to break the cycle of unemployment. And we still see this happening on current projects, like the Women's Hospital and, then, municipally in Winnipeg South End water treatment plant, where it was then primarily from workers outside of Manitoba.

So it's just a matter of where do we want to put our hard-earned tax dollars. I know, myself, I would rather see it paying in pockets of somebody who lives down the street from me than somebody who lives in Minnesota or Alberta.

And, lastly, without PLAs, there's no guarantee for local jobs, construction quality or project safety. PLAs are an effective labour management tool that provides predictability and stability to large projects. They guarantee the same standards of safety and oversight in wages and benefits for everybody working on a construction site, without which workers are left vulnerable and projects are open to delays, resentment between workers, mistrust and high worker turnover.

* (18:50)

By building infrastructure through PLAs, quality is added to the equation. When quality is not assured, we all lose. And when using taxpayer dollars for projects, it is imperative that corners are not cut. Long-term quality is the most important thing to consider when building Manitoba infrastructure. We want things that are built to last.

So, in conclusion, Bill 13 will have irreversibly negative implications for our local jobs, our project quality and project cost and the safety of our construction sites. Manitoba workers and communities deserve better, especially in the current crisis that we remain in during this pandemic.

Our members play an imperative role in Manitoba's infrastructure future. For the good of our workers and for our communities, I would just ask that this—please vote against this bill.

And, yes. And I'm open to any questions or any follow-up comments as well.

Mr. Chairperson: Thank you for your presentation.

Do members of the committee have questions for this presenter?

Mr. Schuler: Thank you very much, Ms. Palson, and appreciate you being here and doing it remotely. It's a new way of doing business here. I appreciate your comment.

I do want to make it very clear, however, that our contracts lay out the safety requirements and the expectations and standards, all which apply. So a project labour agreement isn't what sets out the safety requirements. It's the contract. So all of those things apply. So the fact that we're not going to require to be a unionized shop wouldn't change the safety standards. And I just wanted to make that very clear for the record.

Also, the 'apprentership' for First Nations or targets thereof, that can all still be part of the contract and often—or, in most cases—usually is.

I have a question for you. So, if a company need not be a union shop to bid on a project but will have to be a union shop if successful—Mr. Sandhu said they can't unionize, there's a bit of a moratorium. How long is that moratorium for? Do you know?

Ms. Palson: I personally don't know the answer to that. That's not my wheelhouse. I'm not the labour relations expert at the building trades.

But if I could comment on safety and—some clarification, I think that it's less about, obviously, the standards of safety, and that's going to be standardized when you go into a project either by the contractor, the project owner or the GC.

But imagining a scenario in terms of managing safety and managing workers on a job site that go outside of the actual on-the-tools safety—but—you have a bunch of guys who are technically doing the same trade, but they're all employed by different contractors, all making variable wages and all having to have different points of contact for how to go about their day-to-day life at a work camp that has 3,000 people at it, whereas—where I have been able to

observe from a relatively outside perspective, is when there are issues.

For example, at Keeyask you have a central collective agreement that outlines either revisions or updates and you have all of the workers being managed in one current stream and one process and one source of information. And they all have the same expectations. They all have the same standards. And that's just as important for when they're not currently on the job site, when they're back at camp, when they're using camp facilities, as it is for when they're on the tools or when they're in their crews out actually building.

And also, additionally, on the apprenticeship question, it is concerning, as there are other actions being held in some other bills, including Bill 55, which basically revokes the requirement for the Province of Manitoba to employ apprentices on public projects. So if there were that—if that were to be removed from Bill 55 and if there were some more legislation to support apprentices outside of our project labour agreement, then yes, I think that that comment would stand and there would be enough consideration given to Indigenous workers.

But we have seen other actions by the government, specifically in Bill 55, that would sort of negate any oversight of the apprenticeship process, whereas a PLA on the specific project would be able to manage that as a requirement on contractors who are coming on for the project.

Mr. Gerrard: Yes, my—I've seen work environments in Manitoba where employers have decided to hire a lot of part-time people, as opposed to full-time people, probably partly to decrease the cost of benefits. But their quality of work has suffered dramatically, and I wondered if you would comment on how project labour agreements deal with this issue. [*interjection*]

Mr. Chairperson: Ms. Palson, go ahead, please.

Ms. Palson: So, on that, when—and again, I'm not going to pretend that I'm an exact expert. I don't have the BNA in front of me right now. But I do know that, within our unionized collective agreements—and that also applies then to an agreement like the Burntwood/Nelson Agreement—there is a mandated requirement to advance apprentices. There is mandated court requirements to hire Indigenous people as apprentices and, as such, advance them. A very common trend we see in our industry anecdotally is that, when you advance levels, it is

legislated that there is a certain wage requirement to advance those apprentices.

So it becomes a barrier for apprentices when an employer is looking at their average crew rate and not wanting to pay a fourth-level apprentice when they can come in and get a second-level apprentice for a lower wage rate to do that same amount, in which case, they would let the fourth-level apprentice go and that apprentice is then struggling to find another job with enough hours for them to reach journeyman status. And that happens often at different levels.

Mr. Chairperson: Thank you, Ms. Palson, your time for questions are over.

Point of Order

Mr. Chairperson: Mr. Wiebe, on a point of order.

Mr. Wiebe: Yes, I appreciate that we have a number of members here that want to ask questions.

I think it's appropriate that actual members of this committee—myself, my colleague on our side and from their side—would be, you know, first to ask questions. I understand there might have been some confusion about that, but what I would like to do is maybe just ask for leave that I could ask my question and at least thank the presenter for coming this evening.

Mr. Chairperson: There is no point of order, but I ask leave for the committee if Mr. Wiebe could—allow him to ask a question. Honourable minister?

Mr. Schuler: Agreed.

Mr. Chairperson: Leave has been granted.

* * *

Mr. Wiebe: Okay, thank you. Thanks to the committee.

I just wanted to simply thank you, Ms. Palson. I did have some questions about—you talked about training and about a skill shortage in Manitoba. I think these are really important points and I do—I did hope that we had a little bit more time to delve into those.

Maybe if you could—I know the time of the committee is short, but if we could just—anything that you can lend, in terms of how these project labour agreements benefit the training and address that skill shortage that you identified in your presentation.

Ms. Palson: Yes, very briefly, similarly to my response to Mr. Gerrard, is that it—rather than it being, for lack of a better word, a free-for-all and for the

independent either contractors or the workers themselves to sort of negotiate that whole process, a project labour agreement puts training as a high priority, as seen as a benefit that's going to come out of a labour agreement for a massive project that would actually give people enough hours to advance in their training and give them enough opportunity to try the different variety of skills that they need to be completing at those levels, in order to advance.

And without an oversight of the—without a commitment to that at a large scale and as an outcome of the project at the very beginning, it's difficult, if not impossible, to manage that and have the same successful outcomes in terms of advancement and training.

Mr. Chairperson: Thank you, Ms. Palson.

The time for questions for this presenter is over.

I will now call upon Mr. Chris Lorenc, president of the Manitoba Heavy Construction Association.

Mr. Lorenc, I'll ask moderator if they could invite them to the meeting, and please unmute yourself and turn your video on.

Mr. Lorenc, please proceed with your presentation.

Mr. Chris Lorenc (Manitoba Heavy Construction Association): Good evening, Mr. Chairman and members.

* (19:00)

My name is Chris Lorenc, I'm president of the Manitoba Heavy Construction Association. The MHCA, which represents the heavy civil sector and its supply side in Manitoba, is pleased to present in support of Bill 13.

Bill 13 preserves choice and ensures that all employees and their employers have the opportunity to bid work and work on public projects in Manitoba without being required to join or pay dues to a building trades union.

Most employees in Manitoba's construction industry do not belong to a building trades union, and they do so by the exercise of their choice. These are skilled tradespeople working for employers who meet or exceed legislated safety standards, pay good wages and benefits and strive for workplace and project excellence.

In Manitoba, the open shop construction sector includes small, medium and large businesses engaged

in heavy civil and in the industrial, commercial and residential construction projects. They and their workforce in the majority who have chosen to work without union representation build our bridges, fix our roads, and develop and build residential and commercial properties effectively—all aspects of construction.

Bill 13 ensures that these employers and, more importantly, their employees, can work on public projects without being required to join a union or pay dues to a union they choose not to belong to. Bill 13 ensures that they—that the employers and employees have an opportunity to work on public projects without having a labour model imposed upon their workplaces by the ideology of any government. Bill 13 is about enabling free choice, and I submit that is an important legacy.

Respectfully, this fight with opponents may argue this is a good thing and an important legacy. It is obvious that when more of industry is allowed to participate, competition intensifies, bidding is more intense and, concurrently, investment in innovation and productivity increase. This is accomplished while wages and benefits to workers are at or above compensation offered by those covered in collective bargaining agreements.

Bill 13 does not eliminate project labour agreements but, rather, allows the successful bidder to determine the labour management model it will employ to do the job.

The MHCA has consistently supported open, unfettered competitive bidding of all publicly funded infrastructure projects. The choice to organize or not is for the worker, not for government to make. We support the following core principles: construction project contracts should be awarded to the lowest qualifying bidder; policies and legislation of the government should promote open tendering; the government should not be prescribing through policy legislation or regulation whether or not a company or its workforce must be open shop or unionized to work on a project.

Respectfully, the Manitoba government is doing the right thing with Bill 13, and we would suggest that most Manitobans agree that government should abandon any policy of required unionization or forcing workers to pay union dues to be allowed to work in favour of one that protects choice.

Bill 13 does this and is an important step in the right direction.

I have worked with Sudhir Sandhu, with Kevin Rebeck, and with Paul Moist. I've seen their presentations. I have great respect for them; I have great—but I also respectfully disagree and part company with their views on Bill 13.

Reference to bill—reference to 1959, frankly, is of little probative value; 1959 is 62 years ago—different or no labour legislation. We didn't have in place safety standards or safety programs; we had no Construction Industry Wages Act. And, yes, Premier Roblin did have the courage to institute a project labour agreement—because he had no legislative or regulatory framework within which to work. To suggest that that continues to be the case today and is resolved by PLAs is, frankly, inaccurate.

And as for the floodway, we were there when the government of the day, a Premier Doer, began by attempting to force unionization on as a condition of being able to bid the floodway work. And our association and others took up that challenge and the public, frankly, supported us in saying, you should not and will not force companies to become unionized just to bid the floodway project.

As far as education and training is concerned, the Manitoba Heavy Construction Association, Merit, Winnipeg Construction and others had each industry funded and delivered for decades, since 1990, robust education and training, whether for safety, as we've started in 1991—and all you need to do is ask the WCB and inquire about the significant reduction in frequency, duration and severity of accidents. Our safety programs became the model for Safe Work to be built.

We have a technical vocational institute, accredited by the Department of Education, which we instituted some 20 years ago. We are the founding—we are a founding member of the Manitoba Construction Sector Council, of which Manitoba Home Builders' and Winnipeg Construction, as well, are founding members.

So to suggest that industry does not invest in education and training is simply false. What the government is doing is correct. It builds choice. That is an important legacy. We are in a democracy. We support the bill.

Thank you.

Mr. Chairperson: Thank you for your presentation.

Do members of the committee have questions for the presenter?

Mr. Schuler: I thank you very much, Mr. Lorenc and great to see you this evening. Like with the other presenters, it would have been really neat to have had you here and be able to speak to you directly, but we've got you on screen, so I guess that's second best. Great to have you here.

There seemed to be some misconceptions about Bill 13. We've heard that safety requirements would no longer apply and we've pointed out that those are not PLA things. Those are actually contracts—this is built in the contract.

We've heard about standards, that those would slip and those are also covered by contract.

We also heard that workers' wages would go down, that there would be a cannibalizing of workers' wages. Unfortunately, the—it wasn't mentioned that there's prevailing legislation that sets out workers' wages.

I do want to ask you if you could kind of reference those. And I appreciate the fact that you mentioned that worker training does take place by industry. It is done in partnership with WCB and others.

So, we appreciate that on the labour side they have a very robust training process, as we do on the industry side, so that we would always ensure that we have trained workers. That's also part of the contract, that you must have a trained workforce and we do have inspectors that go and make sure that they are doing the job appropriately.

So, if you could kind of just weigh in on those very briefly, and I know the opposition wants to ask you a question, as well.

Thank you for being here. Great to see you.

Mr. Lorenc: Thank you, minister.

I want to focus on safety.

Since 1990, our association and the Winnipeg Construction Association have self-funded a very robust education and training program for workplace safety. And we introduced to the Manitoba market what is referred as COR certification Certificate of Recognition. That is recognized by government. It was industry that approached the provincial government and asked, and the government agreed that certification under COR be a condition of contract.

So any publicly tendered project requires a contractor to demonstrate that it is COR certified. That program, self-funded by industry, is the model upon which Safe Work Manitoba was built. To suggest that

employers do not care, do not invest in safety or do not invest in the education and training of their workforce, is patently inaccurate. And the WCB can testify to the fact that third-party audits of the COR program, of the industry-based safety programs, have consistently demonstrated a reduction in frequency, duration and severity of claims.

Those are the results of decades and millions and millions of dollars of investment focused on the safety of our workforce.

Mr. Wiebe: Well, thank you very much, Mr. Lorenc, for coming out. It's great to see you here in committee and great to have your participation and your voice.

You know, one of the things that strikes me about some of the things that you put on the record today is your commitment, as you said, to safety, to making sure that workers have access to training.

I think—sounds like we're all kind of on the same page with regards to that kind of stuff. So, I appreciate that you, as an industry group, have promoted that and continued to push for that. I think that's an important part of this conversation.

* (19:10)

The question I had for you is with regards to, you know, labour peace, to guarantee against strikes and against lockouts. How do you feel about that component of PLAs giving that certainty, especially when we're talking about big projects that government is undertaking, giving that certainty to have the project done, done well and done on time and on budget?

Mr. Lorenc: I appreciate the question. One of the unique things about the Manitoba market is that we have a labour—LMRC—labour relations management committee, which has representation from organized labour, representation from employers, and it's chaired by Michael Werier.

And many of the issues which would typically result in strike action or labour relations hostility is handled through the LMRC. Jurisdictions to the east and west of this province marvel at the fact and lament the fact that they don't have comparable institutions, comparable bodies through which we can vet the development of labour relations legislation.

The legacy of the LMRC is the fact that we have developed legislation that has the buy-in from both employer and employee communities, which results in labour peace. It has less to do with PLAs and far more to do with the fact that as Manitobans, we work

together to common objectives. One of them is labour peace.

Mr. Chairperson: Thank you for your presentation.

We will now move on to the next presenter.

I will now call on Mr. Jeff Skinner of IBEW 2085 and ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

I've been informed Mr. Jeff Skinner is not here right now, so we'll move him to the bottom of the list.

I will now call on Mr. Kyle Kalcsics of Local 254 Plumbers & Pipe Fitters, and ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

Mr. Kalcsics, please proceed with your presentation.

Mr. Kyle Kalcsics (Plumbers & Pipe Fitters, Local 254): Good evening. And I really appreciate your pronunciation of my last name. I've heard it called many things.

So I am Mr. Kyle Kalcsics. I'm business manager of Local 254, and I oppose this bill and I'm here to give you my perspective, as well as my—perspective of my members.

My local has approximately 1,300 members, including plumbers, steamfitters, refrigeration members, sprinkler fitters, welders. And as I said, I want to present my view—a few issues that pertain to this bill.

The committee members are tasked with making a decision that will have a profound impact on the future of Manitoba. Projects our members have worked on are such as that—talked about earlier—the floodway, Wuskwatim, Keeyask.

Projects of this nature provide opportunity for training and apprenticeships, safe job sites that follow safety protocols that our contractors ensure and our members follow.

Recruitment of workers local to the area, particularly northern and Indigenous, this is especially important for Manitobans and minority groups that depend on PLAs to break the cycle of unemployment. Curb projects, such as Keeyask, have given many local Indigenous people the opportunity to start apprenticeships, which broadens our Manitoban workforce.

At the end of the day, we should all want these opportunities for Manitobans, having wages earned to support our local economy.

Local workers, while on these projects, will be furthering the skills in their trades for our local workforce for future projects. Without PLAs, many local jobs for Manitobans would not exist. The PLAs help ensure Manitobans won't lose out on jobs that are right in their backyards.

As spoken about earlier, PLAs have been around for 55 years and were created by the PC government. PLAs have, time and again, ensured the best quality infrastructure projects for Manitobans while saving taxpayer dollars. Manitoba projects should benefit Manitobans.

PLAs ensure that the investments made in Manitoba benefit Manitobans first and foremost. The best way to protect the Manitoba workers on the projects is to stop Bill 13. Bill 13 will ban PLAs altogether, taking away opportunities for future generations. Without PLAs, there'll be no guarantee for local jobs, and the construction project quality and safety, as spoken about earlier, is a concern.

PLAs guarantee the same standards of safety and oversight for everybody working on a construction site. Without workers—without it, workers are left vulnerable to accidents and serious injuries, and projects are left open to delays, resentment, mistrust and high worker turnover. By building infrastructure through PLAs, quality is added to the equation when imperative—it's imperative that when you're using taxpayer dollars for projects no corners are cut. Long-term quality is the most important thing to consider when building Manitoba infrastructure, and we want these things—we want building that's going to last.

In conclusion, in the case of Bill 13, we know that the government wants to achieve value for money. We applaud this but oppose the method, the way they choose to approach it in. This bill will only cost Manitobans in the long run. We ask that you consider the evidence, and if you're considering this bill to reconsider it and answer to workers who will be directly impacted.

Bill 13 will have irreversibly negative implications for our local jobs, our project quality and safety of construction sites. Manitoba workers and communities deserve better. Our members play an imperative role to Manitoba's infrastructure for the future. For good quality, for our workers and our communities, please vote against this bill.

I thank everybody for your time, and I'm open to questions.

Mr. Chairperson: Thank you for your presentation.

Do members of the committee have questions for the presenter?

Mr. Schuler: Mr. Kalcsics, I hope I got that right; seeing as the Chair got it right why shouldn't I? First of all, thank you for being here, appreciate that you logged on and gave your presentation.

I do want to, however, point out to you that, for instance, safety requirements, standards, worker training, recruitment targets and wages are all covered off by legislation or by the contract themselves. Like, how would not having—or allowing non-union shops to bid and not be forced to unionize, how would that change anything in the contract when the safety requirements are still part of the contract, as are standards—workers' wages are covered off by prevailing legislation, so and so forth?

I guess there seems to be a misconception or disconnect because Bill 13 does not prevent any of these things; they're part of the contract. So I don't understand how this ends up being such a—I'm choosing your words carefully, the way you worded it; you worded it better than I did—but it actually doesn't impact that. The only thing is it allows union and non-union shops to bid on these contracts and to be allowed to do so without any impediment that non-union shops have to be forced to unionize.

So, again struggling with the, for instance, the safety requirements which are part of the contract anyway, could you help us out there?

Mr. Kalcsics: Sure, thank you. First of all, the comment, the PLAs that were we're referring to, mandate a certain number of apprentices, so more apprentices than normal that are asked for, as well as Indigenous persons to be hired; there's numbers that were indicated for the project.

As far as safety, I guess it's open to perspective. However, we know the policies that are in place by unionized contractors, we know the processes that they go through before they start their day, how they go over their tasks. And so therefore we know that when a worker's going to work, they've went over the skill task and they're ready for work safely.

Mr. Wiebe: Okay, well, thanks very much, Mr. Kalcsics, for your participation here tonight. I really appreciate your on-the-ground knowledge of how these PLAs impact workers in Manitoba. I think that's what we're really looking to get from these committee hearings. I think the minister, you know, thinks that he knows—has all the answers, but when we

hear from people on the ground I think that really impacts our perception and helps us understand.

I really appreciate you talking more about, you know, those so-called recruitment targets and how giving labour a seat at the table right from the get-go can be really beneficial.

So, you know, I don't think I have a question so much as just a comment to say thank you very much for your time here tonight, and I do appreciate your perspective because I think that's what all of us as committee members could really benefit from.

Mr. Chairperson: Are there any other questions?

An Honourable Member: Yes.

Mr. Chairperson: Mr. Gerrard.

* (19:20)

Mr. Gerrard: Yes, my question, again, has to do with the safety issue. I've seen circumstances and dealt with families who've lost loved ones through accidents, and it seems to me that the problem was not just what was legislated but what the practice was at the site. And I wonder if you would comment.

Mr. Kalcsics: Yes, and that's more what I was referring to when I responded earlier, the process that's in place.

So, legislation is one thing, but what is actually practised. So, at the end of the day, PLA—or, when we talk about job starts, for example, using a job start. So before you go and do that task, you go over any concerns of the area, you know, if you're not supposed to go into certain areas, as well as, like I say, a step-by-step instruction on how you do your task. And like I say, we know this is what our processes are and that's why we talk about safety.

Mr. Gerrard: I just wanted to say thank you.

Mr. Chairperson: Any other comments from Mr. Kalcsics?

Mr. Kalcsics: Thank you. I'm good.

Mr. Chairperson: Thank you for your presentation.

I will now call on Mr. Marc Lafond, Operating Engineers, Local 987. And I'd ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

Mr. Lafond, please proceed with your presentation.

Mr. Marc Lafond (Operating Engineers, Local 987): Thank you. Good evening and thank you for providing me with an opportunity to speak to committee on this bill.

My name is Marc Lafond, business manager of the Operating Engineers, Local 987. We are a trade union with approximately 1,400 members in the province of Manitoba. Members in our local union are represented by crane operators, mechanics, pipeliners, heavy equipment operators and stationary engineers.

Proponents of project labour agreements, such as ourselves, argue that agreements have several advantages; advantages such as PLAs provide uniform wages, benefits, overtime pay, hours, working conditions and working rules.

PLAs provide contractors with reliable and uninterrupted supply of qualified workers at a predictable cost. And Mr. Sandhu referred to one project in the province currently underway, and the lowest bidder actually has—or had Kijiji ads looking for employees at that same site.

PLAs ensure no labour strife—to provide—prohibiting strikes and lockouts and include binding procedures to resolve labour disputes. PLAs allow a larger percentage of construction wages to stay in local community.

For the overall economy of Manitoba, PLAs have a net positive effect on local communities and provide a stable middle-class income. Workers tend to be locally recruited, often as a condition of the PLA. Additional benefits are such as apprenticeship training programs mandated by PLAs. They are often a complement to the local community. These skills are portable and can be used at other projects and construction sites throughout the country and throughout this province.

We know that PLAs provide a positive impact on creating great pathways for women, Indigenous people, minorities, veterans and other under-represented populations of Manitoba. However, developing quality workers in the construction trades historically has been hard to identify.

PLAs have been in place around the country since the 1930s. Many large projects include the Hoover Dam in Nevada, Cape Canaveral in Florida, the Trans-Alaska Pipeline, Confederation Bridge, Horizon Oil Sands in Alberta, just to name a couple.

Opponents, on the other hand, argue that PLAs are unfair, anti-competitive and unnecessary. They will say that they are unfair because they typically favour unionized labour, even though that PLAs allow for non-union labour participation and there is many cases in the province. Passing this law—that this allows a PLA on publicly funded projects is unnecessary and solely based on ideology. There is currently no law that I am aware of that absolutely requires a PLA to be put into place in the province. Therefore I ask myself, why is it necessary to create one to disallow it? Don't we owe it to Manitobans to use PLAs on a case-by-case basis if the project warrants it? Why throw the baby you have out with the bathwater?

Thank you.

Mr. Chairperson: Thank you for presentation.

Do members of the committee have questions for the presenter?

Mr. Schuler: Well, thank you very much, Mr. Lafond, and great to see you again. It's been a while since we've had a chance to sit down and have a conversation, and great to see you here this evening.

I'd like to point out that Bill 13 does not prevent PLAs. It doesn't mean that a contractor can't win the contract and put in a PLA. However, it does not mean that you have to be a unionized company to win and have to pay union dues and be unionized. So anyway, we are going to disagree on those points and that's fine.

Great to see you out anyway. Have a great evening. I'm sure you're going to have something to add to this.

Mr. Lafond: I don't have anything to add.

Mr. Wiebe: Thank you very much, and we will have more to say about that, I'm sure, as the evening goes on. But thank you very much for coming, Mr. Lafond, for joining us here virtually in this committee.

Again, I think your experience and the perspective that you bring from your members is helpful for us. Specifically I wanted to ask you just about allowing for workers, you know, this idea of—and we've heard it a few times from a few different presenters, local hires versus non-local hires, and the importance of the PLA in ensuring that we have—that Manitoba workers being at the head of the line when it comes to working on these important projects.

Can you just talk a little bit more about how the PLAs can impact that and help protect those local hires?

Mr. Lafond: Yes, thank you for the question. In most instances the PLA will have provisions, and therefore sort of like a pecking order as to who is first to be hired and who is first to be laid off. And normally it's local community members first, then it's local Manitobans, and then it's unionized employees, then it's Canadians at large as sort of the last resort.

So certainly PLAs, from my vantage point at least, does help community members directly because the projects are being done in their local area so they should have actually the repatriation of all those dollars coming back to those communities so people are buying vehicles, bread, milk, so on and so forth.

Mr. Wiebe: Did you recognize me? Oh, okay.

Well I don't have another question, but I will just take this opportunity to thank you once again for participating. I do—I think we've heard, you know, consistent message here this evening an—the importance of safety, of training, of employing Manitobans and making sure that these projects are getting done in a predictable way. I think you've hit all those points.

So thanks so much for joining us and giving us those facts.

Mr. Chairperson: We can still open the floor for any more questions.

An Honourable Member: Yes, I have—

Mr. Chairperson: Okay, Mr. Gerrard, go ahead.

Mr. Gerrard: Yes, there's been a lot of emphasis put on low bidding and low bids and how this gives you cheaper work. But we've seen many examples recently where companies which got the low bid actually ended up with going way, way over: the Winnipeg international airport, the Bombers stadium, the visitation shelters for personal-care homes.

So, I mean, even though a company may get a, you know, put forward a low bid it doesn't necessarily mean you end up with a low price. Is that right? Why is this?

Mr. Lafond: Yes, that's a very good question. And often in the construction—and I don't profess to be a general contractor or know a—the ins and outs of their industry, but certainly from my perspective sometimes you attract the winning bid by a low bid and then you have change orders and you do certain

things in order to make more money at the end of the day. And I don't know necessarily if that was the case in some of those projects, but certainly, the lowest bidder isn't necessarily the best scenario for, I think, major projects in the province.

* (19:30)

And with regard to WC—with safety too, I just—well, I would be remiss if I didn't point out a WCB study that was commissioned by Ontario a few years ago, and they pointed out that unionized—large unionized workplaces are 31 per cent safer.

Mr. Chairperson: Thank you for your presentation.

The time for questions is over for this presenter.

I will now call on Aarti Sharma, private citizen, and ask the moderator to invite them into the meeting.

Please unmute yourself and turn your video on. Ms. Sharma, please proceed with your presentation.

Ms. Aarti Sharma (Private Citizen): Hi. I write this presentation requesting the Legislative Assembly to emphasize the importance of project labour agreements and why we need them. I, Aarti Sharma, a woman of colour and a proud Manitoban, oppose the proposed Bill 13.

I personally have been involved under a recent project labour agreement. I can assure you that by banning this decades-long tradition of using project labour agreements, the government is taking away not only good jobs from Manitobans but also taking away the key aspect of training and safety that is crucial in the building of these large public infrastructure projects.

I humbly request that the government please keep the best interests of Manitobans in mind: withdraw Bill 13. Under a PLA, common wages and working conditions are established for large groups of contractors and a diverse, transient workforce. By requiring all contractors to pay fair wages under one collective agreement, contractors are selected for productivity and quality, not just price.

As quality—sorry. As demonstrated, PLAs consistently deliver high-quality roads, hospitals and other infrastructure. Work environments on these projects are complex and dozens of employers and hundreds to thousands of workers may come in and out over a long period of time, like—such as the Manitoba Hydro dam.

But in these complex environments, the PLA provides a sense of stability through labour standards, wages and HR practices. PLAs also guarantee no

strikes or lockouts. To be quite clear, there is a contract between the workers, contractors and project owners that can reduce the unknown risk. All parties are kept accountable under the PLA.

PLAs provide skilled workers who are trained and—not only in their respective trade, but they are trained as well as well-versed in safety practices. Safety standards mandated by PLAs are transparent and accountable, with common understandings over what safety means being shared across a project.

As shown in reports written by BuildForce Canada and Canadian Apprenticeship Forum, to name a few, there is going to be a shortage in skilled worker labour. These PLAs can ensure that there is this—there is a proper training and skill development that will increase the number of skilled workers.

We need to promote these practices, but for our contractors to be kept accountable, we need these PLAs.

PLAs also allow training opportunities for underrepresented groups, such as youth, Indigenous, women, newcomer Canadians, veterans, et cetera. Such training and apprenticeship initiatives through these PLAs are key to supporting meaningful work for underrepresented populations and to help young people build their futures right here at home. That's why governments of all political stripes have relied on PLAs.

I have heard of things such as forced unionization; it is not hidden that the current provincial government sees PLAs as forced unionization, however, this is incorrect. The bidding process is open to any company under the PLA. They are kept accountable in ensuring fair wages are paid and proper training and safety procedures are adhered to. I don't see what is wrong in that.

I respect that the current government is looking to reduce costs and save money, but at the expense of taking away work from Manitobans. Taking taxpayer dollars to pay for out-of-province or out-of-country workers. What guarantee is there that these contractors will provide a well-trained workforce?

If these workers get injured in Manitoba, who is liable? What initiatives will be—will the Province impose on these contractors? How will these contractors be held accountable? What guarantee is there of quality work? Does the government want our taxpayer dollars to stimulate other economies outside of Manitoba? There are so many unanswered questions.

In short, project labour agreements have benefitted the working families, our economy, but also all Manitobans who benefit from these important infrastructures that our Manitobans have built. There's a sense of pride in that—built by Manitobans for Manitobans.

Again, let's withdraw Bill 13. Thank you.

Mr. Chairperson: Thank you for presentation.

Do members of the committee have questions for the presenter?

Mr. Schuler: Well, thank you very much, Ms. Sharma, and I have been in these committee rooms for over 20—some years, about 22, and I have never seen a presentation being given from inside of a car. So this is a first for committee, and thank you for having broken another barrier. We appreciate it and it shows you how we can use technology to our advantage.

Ms. Sharma, there seems to be a lot of misconceptions. Safety requirements, standards, workers wages are all covered off by either the contract or by legislation. Worker training is also in the contract recruitment; targets are also part of the contract.

So, Ms. Sharma, my question to you is, if safety requirements, standards, workers wages, worker training, recruitment targets, all the rest of that is part of the contract, the only thing that PLAs give is that you must have a forced unionization on a shop.

We believe this is about freedom, that if you don't want to be part of a union, you have a business where the workers don't want to be part of a union, they should be allowed to bid and get the contract to build something and not be forced to unionize. All the other elements remain. I don't understand where the rub is.

Ms. Sharma: Sorry, I'm not clear on your question. Are you saying that this is forced unionization, is that what you're asking me? I'm not clear.

Mr. Schuler: Well, if you are the successful bidder on a PLA, you must unionize, yes. And we read that to committee; it's part of the PLA agreement; we—it's in black and white, and I know there is a misconception and misunderstanding, or maybe it's just twisted to be something else. But yes, it's a forced unionization under PLA.

All's what we're saying with this legislation is that you can be a union shop, you can be a non-union shop. It shouldn't be the premise by which you get the tender and you shouldn't be forced to unionize. All the other

elements remain in regards to safety standards, wages, and so and so forth.

I don't know if you are aware of it, but we want to make sure that we are all real here at committee, and thank you for joining us from your vehicle. Great to see you.

Ms. Sharma: Thank you. So just in regards to the previous presenter, Marc Lafond had touched on a study in regards to safety. And you know what, I should have sent this out but I didn't. So the Ontario Construction Secretariat did a study where it was proven and shown that unionized work sites are 31 per cent safer than non-unionized. So what I want to, you know, really want to emphasize and drive that point home in regards to safety and training.

And so, in regards to the forced unionization, I mean, again, a non-sorry, a non-unionized contractor or-unionized contractor or non-unionized contractor, either/or can bid. But again, you do get more quality workers from a unionized-from a union, in my personal opinion. That's, again, my personal opinion.

But yes, thank you.

Mr. Wiebe: Well, thank you very much, Ms. Sharma, and I think your opinion, you know, is right. And I think, as you said, there's certainly a lot of studies that shows that unionized shops have a lot of benefit, and that's the reason why a lot of unionized labour is used to perform these kind of big operations.

You know, I think there's-it's very easy to be confused because the minister continues to try to make it confusing, but I mean, his predecessor said very clearly, quote: There's no forced unionization on a project labour agreement. On a project labour agreement there's no compulsion to join the union.

And of course we know that. That's what we've heard over and over again tonight that, you know, there is choice still with the project labour agreement; it just ensures that everybody's on the same level playing field.

And I take your point about safety and training because I think that's an important part of this conversation, that we do need to look to our union friends who are trying to promote workplace safety, trying to promote the workers' health, and I think that's a big part of this conversation.

And, you know, again, I mean, if we're all on the same page, why do we have this legislation that seems to just go directly after unions? It does nothing to

actually improve either these projects or the safety and health of workers.

Ms. Sharma: Absolutely. I totally agree with you.

Thank you.

* (19:40)

Mr. Schuler: Okay. Ms. Sharma, the contract reads-the project labour agreement reads-and I'll read from you-the-it's 12.2.1. I'll read you 12.2.2 as well. So, I'll read 12.2.2. The contractor shall, at the time of hire, advise all employees who are not members of the appropriate union that they are required to secure such membership within 30 calendar days of being hired.

It is right in the project labour agreement. If you are a non-union shop, you must unionize. Your members must become part of the union membership.

And-

Mr. Chairperson: The time-excuse-sorry Minister.

The-thank you for your presentation.

The time for questions is over for the presenter.

I will now call on Mr. Ed Miller, private citizen, and ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

Mr. Ed Miller, I'm aware, is no-not here, so we will drop him to the bottom of the list.

So I'll proceed with Kyley Parker, private citizen, and ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

Mr. Kyley Parker (Private Citizen): Hello.

Mr. Chairperson: Mr. Parker, please proceed with your presentation.

Mr. Parker: Hello, thank you for having me.

My name is Kyley Parker. I'd like to give you a little bit of information on who I am: I was born and raised in Portage la Prairie, Manitoba. I would join the Canadian Armed Forces when I was 18 years old. I was a Leopard battle tank driver, and I served a seven-and-a-half month tour of duty in Afghanistan.

When I left the military, I headed to Fort McMurray and I started my career in construction. I became a surface blaster. So I use explosives to move rock and earth out of the way in pits and quarries and on construction projects. I'm a member of LiUNA, Local 1258, currently.

Keeyask was the first project that I worked on that fell under a project labour agreement. I was very thankful that it was, and I'm here to tell you why. Project labour agreements form a solid foundation to build your project on. There are requirements that ensure the contractor hires locally first.

That means that Manitobans get first opportunity to work on our projects in our province, and the contractor can't bring in a bunch of cheap out-of-province labour, which is a reality on these large projects; you get one superintendent from out-of-province and the next thing you know his entire crew is from the same province. We've seen this before and it happens on all of these large-scale projects.

So the PLAs make sure that Manitobans are put to work first when we are building our infrastructure, and I think most Manitobans would agree that this is a good thing. Project labour agreements also promote a safer workplace, and I think I'm going to touch on what we're talking about here, because I spent over four years at Keeyask as a craft worker on the ground.

Construction workers face challenging working conditions every day, and we're always pressured to get more done. Now, construction site safety has come a long way over the years, and we're not talking about times of old. But you would think—you would be naive to think that construction workers today don't face threats and intimidation on the job site to get more done. Regardless of what Manitoba Hydro has to say, this happened almost daily on the Manitoba Keeyask project. I witnessed it.

But because we are under a project labour agreement at Keeyask, we had someone to go to. We had representation to go—for help and advice. And I knew as a worker that I wasn't going to be fired and none of my co-workers were going to be fired for demanding a safe place to work. That was a guarantee at Keeyask because of the representation that we had.

Another important piece of the PLA is the requirement of contractors and construction companies must hire skilled, qualified tradespeople to do the work so that we build it right the first time. And of course, you don't get skilled labour if you don't pay a fair wage. Project labour agreements provide stable and justified wage rates based on trade and skill.

Again, I think the majority of Manitobans would agree that tradespeople and construction workers deserve a fair wage for the often dangerous and hard work that they do every day.

PLAs ensure Manitobans get a fair wage. No strikes, no lockouts, pretty self-explanatory. This keeps the project moving forward at all times.

Many PLAs have requirements for training new workers and providing opportunities for workers to gain new skills or even a new trade. I personally know people who started off working on the Keeyask project as a general labourer and left as carpenters or iron workers on their way to being journeymen in those trades.

We have motivated Manitobans who are proving their—who are improving their career opportunities while they are at work. Again, this is benefitting Manitobans and the communities that they come from.

So PLAs ensure the following on our capital projects: Manitobans have the first opportunity to work on and build our infrastructure, all workers can perform their job safely without threat and intimidation, contractors must hire skilled workers to complete the job and pay them a fair wage, they provide skills and training Manitobans making them more employable and improving their livelihoods and there's no strikes or lockouts.

Everything I have mentioned benefits the average Manitoban and the communities that they come from. Without community benefit agreements or project labour agreements, how do we ensure that the future projects that we build provide the same benefits and opportunities for Manitobans? We can't.

Project labour agreements have proved time and time again that when you value your workers and you value the communities that they come from, that we can build much greater things on a construction site than just dams and buildings.

And all in all to wrap up, is the average Manitoban going to receive anything from this bill, is it going to make their lives better? I don't think so. Will tradespeople or construction workers benefit? No. So that leaves me wondering who does benefit?

Well, it seems that the Merit group of contractors must have much to benefit from this bill. They challenged our PLAs in 2012 in this province and they failed. They challenged British Columbia's project labour agreements, or what they refer to now as community benefit agreements, and they failed. So what happens when you keep losing? Well, you must change the rules, of course.

Merit is clearly lobbying this Conservative government to advance their agenda of catering to contractors and company owners first, rather than giving the workers in the communities that they come from.

Thank you very much for your time.

Mr. Chairperson: Thank you for your presentation.

Do members of the committee have questions for the presenter?

Mr. Schuler: Well, first of all, thank you very much, Mr. Parker, for being here this evening, and I want to just take a moment to thank you for your service to our country, particularly active service. Thank you very much for that. We appreciate it.

I guess you could say this is what you fought for, is the freedom, for the democracy. This is what it's all about; to be able to come and speak to legislation, and this is the crux of our democracy. And thank you for going and helping to defend our country.

I also want to thank you for working on Keeyask. I was the minister at one point in time of Manitoba Hydro and I had a tour up there. It's a magnificent project and thanks for your contributions up there.

I just want to say, Mr. Parker, you and I will disagree. I think you have some misconceptions about Bill 13: safety requirements, standards, workers wages, worker training, recruitment targets, and even skilled trades for the task are all covered off by contract and can be—for instance, when it comes to worker training, that can be adjusted up and down depending on where the project is and what the outcome is supposed to be, and that is done with all contracts. The project labour agreements don't necessarily mean that that is the case. It's a contract, so it's done by contract.

And we've also heard that the private companies also have what's called the COR Certification, which is government approved; it's done with WCB.

But I guess we can agree to disagree. This doesn't change anything other than we believe that choice and freedom of choice is important. We believe that and certainly I do fundamentally, I think freedom is very important and freedom of choice is. So that you have the choose—if you choose to be part of a non-union shop, you should still be able to bid on a job and you should be able to get the job if you're the best bid, and you should be able to do the work. And I guess that's where I come from.

Thank you very much for presenting. I look forward to your comments and, again, thank you for your service to this country.

Mr. Parker: Thank you very much, sir. I have nothing else further to say.

* (19:50)

Mr. Wiebe: Well, thank you very much, Mr. Parker, for your service and for the work that you do now. It sounds incredibly dangerous. It also sounds incredibly important, and so I want to thank you for being the—one of the people who goes out there, puts your life at risk every single day to do the job that you want to do and that we need you to do. And we want to make sure that you get home at the end of the day to see your family, and that's, I think, what we're talking about here this evening.

I think, you know, I think you have a perfect perspective as being somebody who's actually been on the ground, actually done the work, and so I just—I'm hoping that you can talk a little bit more—you mentioned it a bit, but, you know, I mean it sounds like safety has got to be like the No. 1 issue that's top of mind for you at all times. The pressures of a big project like this, of, you know, the government's trying to save a few bucks; they're hiring the cheapest contractor they can; there's a lot of pressure to get the work done. Like, what does that do to somebody who's on the ground doing dangerous work like you are, and what kind of pressures would you feel if you weren't protected by something like a PLA?

Mr. Parker: Well, at the beginning of Keeyask, for anyone that's familiar with it, there was a large amount of blasting that had to be done, much more than the previous projects, Wuskwatim and a few others. We carved out the powerhouse intake and the spillway, and we were on a very tight time frame because the contractor, BBE, underbid big time and they weren't going to be making any money on their drilling and blasting.

So, literally, every day we were pressured to do more and more and more work: work around the drills, work in dust, no breaks, everything like that. And that happened every day on a Manitoba Hydro project.

That's the reality of a construction site, and when the superintendent is standing there telling you that the work's got to get done today and you have a valid reason as to why you can't do this because of a safety reason, you're told, well, you know, we're going to find someone that will; we'll find someone that'll do

it. And they will because, you know, guys will. And that's how they threaten you and intimidate you into working unsafely, as they'll just hold your job against you. That's what happens on construction sites.

Thank you.

An Honourable Member: I have a question.

Mr. Chairperson: Mr. Gerrard.

Mr. Gerrard: You mentioned the importance of doing it right the first time. Can you give us examples of where that came up and why that's so critical?

Mr. Chairperson: Mr. Parker, you may answer the question, just, we're running short of time. So go ahead, Mr. Parker.

Mr. Parker: For myself, I think that's referring to, under the current project labour agreements, we bring workers up. They're—majority of them are coming out of union halls. They're carpenters are coming out of the carpenters' hall. The ironworkers are coming out of the ironworkers' hall. They're qualified workers that are skilled and they have the certification to do the job. They're not people that are being hired to be a carpenter, an ironworker, a labourer, a concrete person and a jack-of-all-trades on the job site for 20 bucks an hour. That's what we're talking about when we're talking about hiring the right person for the right job.

I hope that answers your question.

Thank you.

Mr. Chairperson: The time for questions is over for this presenter.

I will now call on Joshua LaPointe, private citizen, and ask the moderator to invite them into the meeting.

Please unmute yourself and turn your video on.

Mr. LaPointe is not here at the moment, so we'll drop him to the bottom of the list.

So I'll now call upon Jeff Skinner of IBEW 2085 and ask the moderator to invite them into the meeting.

Please unmute yourself and turn your video on.

Mr. Jeff Skinner (International Brotherhood of Electrical Workers, Local 2085): Hi, everyone. How's it going?

Mr. Chairperson: Mr. Skinner, please proceed with your presentation.

Mr. Skinner: I just want to apologize. I've been having Internet issues all night, so.

Yes, so I'm just speaking, obviously, on PLAs. The majority of unions have training centres, which means workers are safety ready and the majority are safety trained, ready to go on the job. We have pre-employment programs for new apprentices to ensure that before they go onto job sites that they have a good base before, you know, heading onto the job, which usually keeps them safer and give us a better foundation all the way up until we have our, obviously, journeymen electricians, because I'm part of the IBEW.

But, you know, in all the other, for the most part the building trades, a lot of them have training centres as well. Building solid foundations are just going to be building more solid certified tradespeople to perform these projects.

The PLAs ensure that the bidders that win the contracts win based on the ability to manage the job and efficiencies, not based on trying to cut corners and essentially undercut—whether it's wages or whatever, or trying to find some loophole in trying to win these projects.

Obviously PLAs ensure unemployed Manitobans get first crack at the job, which also includes where we—and unions are huge supporters of, you know, if we're building in certain communities that we involve the community members in the jobs and give them training opportunities which they can take back to their communities even after the projects are done.

Having unions involved, I've worked both union and non-union in my career. I've seen the differences between the management styles, and I can tell you this: that unions are heavily involved in solving problems on the jobs when they're still small so they don't fester into big problems. I've been on non-union sites where no, no; they just sweep things under the rug and issues become bigger issues. It drags morale down, productivity goes down, and ultimately the timeline gets way thrown out. And again that's my experience.

And ultimately having union shops managing the jobs and helping progress and harmony of the jobs, just creates way more value for the dollar for Manitoba infrastructure building, and for Manitobans to enjoy for many years.

Honestly, I could tell you this, that in Manitoba the majority of the big jobs that are built are done by union shops, by union members. And where jobs go

awry are with not having the proper, well-trained, general foremen, and with the union shops we've done these big jobs; we know how to do it; we're well trained and we can—we train everybody underneath us. It's about lifting each other up and ensuring that we're all successful in the job. In my experience in the non-union—with non-union contractors, is that's not the case; it's everybody for themselves.

Unions do keep the members accountable, not only to the contractor but the client, and in this case is, you know, the citizens of Manitoba. We keep everybody accountable. It's not just—you know, there's a perception that unions hammer, you know, the contractors and we bring people down. That is not the case. That is a big misperception. We're about keeping everybody accountable, keeping a symbiotic relationship so we can ensure that progress and harmony continues through the duration of the job and to completion.

Another thing is with the PLAs, it, you know, you've talked about being forced unionization and stuff, but the open shops that are successful in winning parts of a PLA, they abide by the contract for the duration of the contract. If they have other projects somewhere else, you know, they can still do that running as an open shop. And as soon as the job is done, workers or the contractor could go back to work as usual. And, you know what? I bet you over the course of the relationship with the unions and clients with these PLAs, a lot of them are going to see the benefits of having a union involved in ensuring that everybody stays accountable, for helping with training and supporting the contractor throughout the course of the project.

Yes. That's essentially it.

Mr. Chairperson: Thank you for the presentation.

Do members of the committee have questions for the presenter?

Mr. Schuler: Yes, I thank you very much, Mr. Skinner, for being here. And it looks like you're Skyping in from your garage—

Floor Comment: I am.

* (20:00)

Mr. Schuler: —and you know, I would like to say that, again, I've been at this committee, and this actually is the first time we've ever had somebody speak to committee from their garage. So there's a first for you, Mr. Skinner.

I just have a quick comment I'd like to make. There seems to be some misinformation being put on the record that actually, the—for instance, the Burntwood/Nelson Agreement amongst others clearly states the contractor Shell at the time of hire advise all employees who are not members of the appropriate union that they required to secure such membership within 30 calendar days of being hired, and that's section 12.2.2.

I guess you would agree with that, that actually if a non or an open shop bids and wins, that they must unionize. Is that correct?

Mr. Skinner: So, my answer to that is, the member—or the worker will unionize, but just for the duration of that PLA. So, the contractor is not union shop, but for the duration of that project—for that project—they're a union shop. All their other projects in Manitoba or out-of-province will not under a union contract, so they would be essentially double-breasting, is what that would be. For the duration of that project.

Mr. Wiebe: Thank you very much, Mr. Skinner. Once again, it's pretty amazing that somebody joining us from Zoom obviously knows the situation and the ground, has a whole ton of knowledge and it seems like you know more than the minister, and so we've tried to educate the minister all evening here.

His predecessor, in fact, tried to educate him about exactly how PLAs work, but he seems to be off just stuck on his own speaking notes and can't seem to listen to the actual people who are coming to present this evening.

So, I just wanted to say I thought your perspective—you know, having experience both as a—in a unionized setting and a non-unionized setting was important for this discussion. It sounds like you've got a pretty good sense of how both those environments can work, and it sounds like you're—you know, you're one of the people that wants to just get to work, have your members get to work and get these important projects in Manitoba built.

So, you know, again, I mean, I think you're informing all of us—I'm certainly listening, I think maybe members on the other side of the table aren't paying as close attention, but we—maybe by the end of the evening, we'll have the minister all briefed up on exactly how project labour agreements are a good thing for Manitobans.

Thanks for presenting tonight.

Mr. Skinner: Absolutely. You know, I appreciate you saying that. I have been on both sides, and I can honestly say that if you talk to an open shop worker, as of right now, and say hey, you know what? You want to join to IBEW for this project? We'll give you 30 per cent increase in pay including benefits and pension, and you know what? We'll throw on the top of the 13 per cent completion bonus.

I think that's a pretty good investment, and I don't think too many people are—non-union or open shop workers—would be complaining about that, so. In my experience, I've never heard one person complain in my whole life about joining a union for a 30 per cent increase, so. Thank you very much.

Mr. Gerrard: Yes. Thank you for your presentation.

I think what you were trying to say was that safety is not just about setting standards; it's actually about building teams who can work well together and look after each other. Is that correct?

Mr. Skinner: That's absolutely correct, and it starts with supervision and having well-experienced supervision who know how systems work, how to run these big projects, these big crews and filtering all the way from the top all the way to the first level apprentice on the job, all from different walks of life, understanding that everybody has different needs; safety is a team; looking out for each other and working together; all trades in a symbiotic way.

And you know, it just comes from a community coming together to do the project, and that's what unions are all about. It's teamwork and doing the best we can for Manitoba's what it's all about.

Mr. Gerrard: Yes. No, that was my question. Thanks so much.

Mr. Chairperson: Thank you for your presentation.

I will now call on Ed Miller, private citizen, and ask the moderator to invite them into the meeting.

Mr. Miller will be dropped from the list since he is not here.

So I'll now move on and call on Mr. Joshua LaPointe, private citizen, and ask the moderator to invite them into the meeting. Please unmute yourself and turn your video on.

So Mr. LaPointe is not here as well, so we are done with presentations.

That concludes the list of presenters I have before me.

* * *

Mr. Chairperson: In what order does the committee wish to proceed with the clause-by-clause consideration of these bills?

Mr. Schuler: In the order as printed on the agenda.

Mr. Chairperson: Does the committee agree to proceed clause-by-clause for the Bill 13? *[Agreed]*

Bill 13—The Public Sector Construction Projects (Tendering) Act
(Continued)

Mr. Chairperson: Does the minister responsible for Bill 13 have an opening statement?

Hon. Ron Schuler (Minister of Infrastructure): No, Mr. Chair.

Mr. Chairperson: We thank the minister.

Does the critic from the official opposition have an opening statement?

Mr. Matt Wiebe (Concordia): I want to begin by thanking all the presenters that joined us here this evening. I did learn a lot. And, you know, I always appreciate coming to committee and, you know, getting outside of the bubble of Broadway, getting outside of this building, and I think all of us have something to learn.

I think there's a lot to learn when we listen to the people who are doing the actual work, you know, and especially in a department like infrastructure where we ask so much of folks to build these great infrastructure projects that all of us Manitobans prioritize. And, you know, and we ask them to, you know, to help us to build these, and we ask that they sometimes put their lives at risk to make it happen. And to hear them first-hand, I think, was an important part of the process.

As we know, Bill 13 concerns tenders issued by government and other public sector bodies for construction projects. Previous governments of all stripes have used project labour agreements on large-capital projects, for example, requiring employers to either employ unionized employees or contribute the equivalent union dues for non-unionized employees. Bill 13, contrary to what the minister says, explicitly bans project labour agreements.

This government, we know, is obsessed with introducing these kinds of anti-labour and anti-union legislation. Banning PLAs on a public infrastructure project is extremely short-sighted and will lead to lower wages, more dangerous working conditions and less job opportunities for Manitobans, especially for Indigenous Manitobans.

PLAs mandate that non-union contractors must invest their fair share in the training and development of Manitoba's workforce, instead of off-loading these costs onto unions and the government. Without PLAs it's a race to the bottom where some contractors off-load the costs of a well-trained, highly skilled workforce onto others. And that's not what any of us want. PLAs ensure that everyone pays their fair share.

In calling for opening tendering, this government is creating the impression non-union firms have previously been prevented from bidding on these Manitoba projects. And, of course, this has never been the case. It's troubling that this government suggests that PLAs violate workers' rights and, quote, force unionization. This suggestion is absolutely absurd. PLAs have never required that bidders or workers be from a union, and non-union contractors are never required to sign union agreements.

Former Premier Duff Roblin, changed the tendering equation from considering costs only to cost plus quality. He did this to prevent contractors from bringing poorly trained and unqualified labour to critical infrastructure projects. He recognized the lowest price did not always mean lowest overall cost or best value.

This current government only cares about the bottom line, not the opportunities or safety of Manitobans. This bill is just as unpopular today as it was when this government first introduced it in 2018, and is another example of the government pushing through poor legislation while continuing to refuse to listen to Manitobans.

* (20:10)

Construction workers provide essential services to our province that allow us to have safe roads and buildings, help us create productive and prosperous province for all.

The construction industry accounts for approximately 8 per cent of Manitoba employment and is a significant contributor to the economic stability of Manitoba. However, the Pallister government is driving the construction industry into the ground.

They've cut hundreds of millions in annual infrastructure spending and they continue to underspend what they do budget by hundreds of millions every year since taking office.

Canada's Parliamentary Budget Office, for example, found that Manitoba's per capita spending on capital projects has dropped to the third lowest in the country, only ahead of Nova Scotia and PEI.

Manitobans deserve good jobs, fair wages and safe working conditions. I'd like to thank all the presenters for making their valuable input on Bill 13 and I hope that the minister might actually start to listen to these hard-working Manitobans, listen to their suggestions and their concerns and do what's right for the Manitoba construction industry.

And I'll just say, you know, at no time did I hear the minister dispute anything that, when we were talking about safety and about training and about making sure that Manitobans are put to work. So why doesn't he work with our union partners? Why doesn't he work with labour and help make sure they have a seat at the table?

You know, PLAs have been put in place to protect Manitobans from governments just like this, and without a PLA in place, governments that are anti-union, anti-worker will run roughshod over those workers who are doing important critical work in Manitoba. We can't let this bill pass. We will continue to fight it every step of the way.

Thank you, Mr. Chair.

Mr. Chairperson: We thank the member.

Now it is my understanding that the minister responsible would like to make a statement for Bill 13.

An Honourable Member: Point of order.

Point of Order

Mr. Chairperson: The member, on a point of order.

Mr. Wiebe: I heard the minister very clearly say, no, he did not have an opening statement. I'd be happy if the minister would like to ask for leave of the committee. I think that's within the rules of the committee, if he would ask for leave, but certainly he has already given up his opportunity to make a statement, and I think that that should stand as per what we can certainly read in Hansard.

Mr. Chairperson: Mr. Schuler, on the same point of order.

Mr. Schuler: On the same point of order, we didn't shut down the member. We didn't shut down presenters. I don't think we want to shut down anybody. I think any member of this committee is allowed to speak and, you know what? We just heard all kinds of presentations, one from an individual who fought for freedoms, and there goes the NDP shutting people down again. That's their idea of democracy and freedom. Shut everybody down; don't let them speak. Typical NDP.

Mr. Chairperson: From my understanding, it is correct that we will require leave to revert back, if the minister wishes to make an opening statement.

Does the committee—will the committee grant leave for the minister to make a statement on Bill 13? What does the committee wish?

An Honourable Member: No.

An Honourable Member: Point of order.

Point of Order

Mr. Chairperson: The honourable minister, on a point of order.

Mr. Schuler: Yes, again this is typical—typical NDP. They want to shut everybody down and that's fine. Let them shut this down and the member for Concordia (Mr. Wiebe) laughs like he's still part of the frat house that he—his leader likes to run in the question period.

And, Mr. Chair, that's fine. Leave was denied for members of this committee to speak, and we will pick this up at third reading.

An Honourable Member: On the same point of order, Mr. Chair.

Mr. Chairperson: Mr. Wiebe, on the same point of order.

Mr. Wiebe: Well, it's clearly not a point of order and members of the committee, members who are following along at—on the live feed will have clearly heard the minister inexplicably, in my mind, refuse to make an opening statement on a piece of legislation that he's been trying to jam through for three years, that he knows that Manitobans across this province stand against, that we've heard nothing but a criticism to all evening—

Mr. Chairperson: Order. Order. Order. Order. Order. Order.

And that is not a point of order, so we thank all members for their statements and non-statements.

* * *

Mr. Chairperson: So, I'll proceed. So, during the consideration of a bill, the enacting clause and the title are postponed until all other clauses have been considered in their proper order.

Also, if there is an agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we'll stop at any particular clause or clauses where members may have comments, questions or amendments or pose.

An Honourable Member: Oh, oh.

Mr. Chairperson: Order.

Is that agreed? [*Agreed*]

I will now read the clause script by script.

Shall clause 1 pass?

Some Honourable Members: Yes.

Some Honourable Members: No.

Mr. Chairperson: I hear a no. The floor is open for questions.

An Honourable Member: I have no questions, Mr. Chair, but, you know, as I said before, we stand in opposition to this bill. We have at every step of the way, and we will continue to do that throughout this process, this committee process, as every presenter did as well.

Mr. Schuler: Mr. Chair, we know how much misinformation was put on the record by the member for Concordia—very unfortunate misconceptions about Bill 13. Safety requirement standards, workers' wages, training, recruitment targets, skills, trades for the task, are all covered by legislation. They're covered by contract. The member for Concordia just wants to put misinformation on the record.

And, by the way, for the record, our government has put forward a budget which will spend \$500 million for the year '21-22, \$500 million for '22-23, \$500 million for '24-25—for '23-24—pardon me—and the NDP, in their first year in government, 2000-2001, spent \$98 million compared to the \$500 million we're spending every year.

So, this is a government that is building and moving things forward. This is a great piece of legislation. We recommend it strongly.

Mr. Chairperson: We will now proceed by the voice vote on bill clause.

Shall clause 1 pass?

Some Honourable Members: Yes.

Some Honourable Members: No.

Mr. Chairperson: I hear a no.

Voice Vote

Mr. Chairperson: All those in favour of the clause 1, please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Ayes have it. Clause 1 is accordingly passed.

* * *

Shall clause 2 pass?

Some Honourable Members: Yes.

Some Honourable Members: No.

Mr. Chairperson: I hear a no. The floor is open for questions.

There are no questions?

An Honourable Member: Maybe I'll—I have a question, Mr. Chair.

Mr. Chairperson: Mr. Sandhu.

Mr. Mintu Sandhu (The Maples): We have heard from all the presenters about PLA's beneficial for all Manitobans. This speaks of safe work, fair wages, skilled work, no strike, no walkout.

Why the minister or this government is so worried about the unions?

Mr. Schuler: Well, Bill 13, Mr. Chair, is about choice. It's about freedom, and we even heard individuals on committee who went and stood up for our country for freedom, so this is about the freedom that you can choose to be part of an open or non-unionized company. The member for Concordia (Mr. Wiebe) disagrees with that. He thinks you should be forced, as he thinks we should shut down any kind of discussion and debate.

So, this is about choice and about freedom. I would like to say to the member he should support Bill 13. I know he's someone who supports freedoms.

We've had a lot of misinformation by the member for Concordia, misconceptions put on the record that somehow safety requirements would not be adhered to, and that's covered by contract. Standards, workers' wages is covered by legislation. Worker training, recruitment targets, skilled trades for the task—all covered by the agreement.

And we heard from Manitoba Heavy Construction that employers have a robust education and training program. Industry works to protect their workers. They need them and they have established a COR Certification program that is heralded, not just in the country, but also internationally.

So this is a good piece of legislation; it's about choice; it's about freedom, and we know the NDP is against that kind of stuff. They—they're against openness in debate, and choice, and that is where they are as a party. We believe Bill 13 is a very progressive piece of legislation.

Thank you.

Mr. Chairperson: Are there are any other questions from the floor?

Now I'll proceed for the voice vote on bill clause 2.

Shall clause 2 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: No. I hear a no.

Voice Vote

Mr. Chairperson: All those in favour of clause 2, please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Ayes have it. Clause 2 is accordingly passed.

* * *

Mr. Chairperson: Shall clauses 3 through 6 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: I hear a no. The floor is open for questions.

Shall clause 3 pass?

* (20:20)

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: I hear a no.

Is the floor open for questions?

Mr. Chairperson: Shall clause—oh—shall clause—
hearing no further questions, we'll do a voice vote on
bill clause No. 3.

Shall clause 3 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Voice Vote

Mr. Chairperson: All those in favour of clause 3,
please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Ayes have it.

Clause 3 is accordingly passed.

* * *

Mr. Chairperson: Shall clause 4 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: I hear a no.

The floor is open for questions.

Shall clause 3 pass?

Some Honourable Members: Pass.

Mr. Chairperson: Sorry. Correction.

Seeing no questions, shall clause 4 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: I hear a no.

Voice Vote

Mr. Chairperson: All those in favour of clause 4,
please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Ayes have it.

Clause 4 is accordingly passed.

* * *

Mr. Chairperson: Shall clause 5 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: I hear a no.

The floor is open for questions.

Since there are no questions, shall clause 5 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: If—I hear a no.

Voice Vote

Mr. Chairperson: All those in favour of clause 5,
please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Ayes have it.

Clause 5 is accordingly passed.

* * *

Mr. Chairperson: Shall clause 6 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: I hear a no.

The floor is open for questions.

Since there are no questions, shall clause 6 pass?

Some Honourable Members: Pass.

An Honourable Member: No.

Mr. Chairperson: All those in favour—

An Honourable Member: No.

Mr. Chairperson: I hear a no.

Voice Vote

Mr. Chairperson: All those in favour of clause 6,
please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed, please nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Ayes have it.

Clause 6 is accordingly passed.

* * *

Mr. Chairperson: Enacting clause—pass; title—pass. Bill be reported.

Bill 17—The Drivers and Vehicles Amendment Act

Mr. Chairperson: We'll now proceed on to Bill 17 clause-by-clause.

Does the minister responsible for Bill 17 have an opening statement?

Hon. Ron Schuler (Minister of Infrastructure): Good evening, Chairperson, members of the committee. I am very pleased to receive—or to present this bill for public input, and I'd like to thank all of those who helped us with—regards to Bill 17, The Drivers and Vehicles Amendment Act.

As part Manitoba government's 100-Day Action Plan, this legislation is required to strengthen consumer protection and compliance mechanisms for mandatory entry-level training for class 1 truck drivers to support an approved standard of service delivery in Manitoba.

Currently, driver training schools that teach mandatory enter—entry-level training are not subject to consumer protection compliance mechanisms under The Private Vocational Institutions Act. Bill 17 will provide financial protection for students in mandatory entry-level training and will address the current lack of compliance tools for driver training schools permitted by Manitoba Public Insurance, enabling the development of a progressive disciplinary scheme.

Bill 17 was introduced into the Manitoba Legislative Assembly on October 14th, 2020, and passed second reading on March 25th, 2021.

Bill 17 has passed the following amendments: will be made to establish regulatory-making authorities in legislation; require surety bonds from driver training schools to provide some financial compensation to students in the event of a sudden school closure due to permit suspension, cancellation or insolvency; authorized administrative penalties for schools and instructors that are non-compliant with legislation and permit conditions up to a maximum of \$5,000 as part of a progressive disciplinary scheme to support school compliance and enforcement and

expand the Licence Suspension Appeal Board's authority to hear appeals related to administrative penalties in addition to permit suspensions and cancellations.

Administrative penalties will foster education and corrective action, ensuring that driver training school and instructor permit suspension and cancellations are only used for serious breaches of permit conditions. In addition, an appeal option will ensure procedural fairness while strengthening the compliance framework.

Bill 17 will come into force on a future date set by the Manitoba government to allow time to develop regulations that will set maximum monetary amounts for administrative penalties and surety bonds requirements.

Bill 17 will support consistency for driver training programs delivered by private vocational institutions and other driver training schools in Manitoba and will promote harmonization with other Canadian jurisdictions.

These added safeguards for mandatory entry-level training will reinforce safety principles identified in Manitoba's road safety plan.

Chairperson, members of the committee, the Manitoba government thanks all of those who participated in creating this legislation. The Manitoba government looks forward to further discussion on Bill 17, Mr. Chair, and we are very pleased that it will be going through this committee at this point in time. We'd like to thank our partnership with Manitoba Public Insurance, Crown Services and Advanced Education, Skills and Immigration to promote our shared commitment to driver education and safety on Manitoba roads.

Mr. Chairperson: We thank the minister.

Does the critic from the official opposition have an opening statement?

An Honourable Member: Yes, I do.

Mr. Chairperson: Mr. Sandhu, go ahead.

Mr. Mintu Sandhu (The Maples): Thank you, Mr. Chair. Good evening, everyone.

This will amend the driver vehicle act so that driving instructor or driver training school may be given an administrative penalty if they contravene this act, regulation or a permanent condition under this act.

This bill is a part of response to the 2018 Humboldt–be crash–Humboldt crash be brought into relief that provinces across Canada have not been doing an adequate enough job to ensure that co-ordination of proper training and regulation in the industry is a priority.

This bill overall emphasizes and is a response to the need to develop stricter regulations within the industry. For example, MPI identified a compliance problem with some people who were providing training. One trainer even had their licence revoked.

In 2019, the Manitoba government was the first province in Canada to announce mandatory entry-level training for commercial truck drivers. There have been a continuous call for a good graduated licensing program that account for the size and complexity of the various sized vehicles, weather and the road conditions.

Unfortunately, the Pallister government has often favoured their bottom line over the safety of Manitobans. In 2017, they cut support for training through MPI, which were created to address the shortage of truck drivers in Manitoba.

These cuts came at the time when the industry was having an incredible hard time finding new local drivers. Manitobans deserve to have a government that is willing to invest in proper training to ensure that the roads are safe for everyone and to address the needs of trucking sector and our economy.

Thank you, Mr. Chair.

Mr. Chairperson: We thank the member.

During the consideration of a bill, the enacting clause and title are postponed until all other clauses have been considered in their proper order.

Also, if there is an agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose.

Is that agreed? *[Agreed]*

Shall clauses 1 and 2 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Mr. Chairperson: I hear a no.

Clause 1–pass.

Shall clause 2 pass?

Some Honourable Members: Pass.

An Honourable Member: No.

An Honourable Member: Question?

Mr. Chairperson: I hear a no. The floor is open for questions.

Mr. M. Sandhu: I have a question. Just a question. I think this—I asked this question during the debate, second—oh, the question was why there is a limit of only \$5,000 fine? Why is it not higher?

Mr. Schuler: I believe that was answered. That is the standard across the country. We believe that that is a very severe penalty, and it—considering that there is nothing in place right now, we believe that will suffice.

Mr. Chairperson: Question?

Mr. M. Sandhu: So, I don't know if that penalty is stiff enough. I think we need higher fines because if there's no standard we'd sort of be setting a standard for the industry to follow.

And also, who will be doing the enforcement on this? Like, how will we find out if somebody is abusing the system?

* (20:30)

Mr. Schuler: That is done through Manitoba Public Insurance Corporation. They would be checking up on these schools, and if they find that, for instance, record keeping isn't appropriate or there's a problem with the way that they are training, they would be level—levying the fine. And \$5,000, I would suggest to the member, is a severe penalty.

Mr. M. Sandhu: A question regarding how many people are working in MPI enforcement in regard to this kind of regulation.

Mr. Schuler: I would suggest to the member that he's at the wrong committee for that. I would suggest he would go to Crown Corporations committee and ask that question, where they assign employees and who they assign to what.

That would be a very good question for him to raise at the Crown Corporations committee, when Manitoba Public Insurance Corporation comes in front of that committee.

An Honourable Member: No further questions.

Mr. Chairperson: Seeing no further questions, clause 2–pass; clauses 3 and 4–pass; clause 5–pass;

clauses 6 through 8—pass; clauses 9 and 10—pass; enacting clause—pass; title—pass. Bill be reported.

**Bill 20—The Vehicle Technology Testing Act
(Various Acts Amended)**

Mr. Chairperson: We will now move on to Bill 20, clause by clause.

Does the minister responsible for Bill 20 have an opening statement?

Hon. Ron Schuler (Minister of Infrastructure): Bill 20 honours our government's commitment to bring forward legislative amendments to allow the safe testing of automated vehicles on Manitoba roads.

This bill is intended to improve and maintain the safety and efficiency of Manitoba's transportation system in preparation for future deployment of automated vehicles in the next 10 to 20 years and to bring new economic opportunities to the province.

This legislation amends The Highway Traffic Act to allow government to develop regulations in a permit system for testing vehicle technology and vehicle types such as automated vehicles on Manitoba roads.

The bill also amends the public—The Manitoba Public Insurance Corporation Act and The Insurance Act to amend vehicle registration and insurance requirements for vehicle testing organizations.

This bill is a first step to prepare the province for the introduction of automated and connected vehicle technology on roads while ensuring alignment with other jurisdictions. Its supporting regulatory framework, including a vehicle testing, technology testing and permitting system for Manitoba's plan for development in 2021, in consultation with the public and stakeholders, enabling developers to test emergency vehicle technologies on public roads in Manitoba, will support Manitoba's large agriculture, trucking, 'hary' vehicle and bus manufacturing and technology development sectors.

We know many vehicle technologies are in development and ready for testing. Allowing testing in Manitoba will advance opportunities for Manitoba-based businesses.

Vehicles subject to a technology testing permit will not be registered and will not be eligible for insurance under Manitoba Public Insurance universal automobile insurance. Testing organizations will be required to seek private third-party liability insurance to insure vehicles against injury, loss or damage.

If a testing vehicle's responsible for a collision that causes injuries or property damage, permit holders will be responsible for reimbursing Manitoba Public Insurance for injury and property damage costs to the extent that the testing vehicle is responsible for the collision. This ensures that both Manitoba Public Insurance and Manitobans are protected from any financial risk posed by testing vehicle technology on Manitoba roads.

And, Mr. Chair, I would like to add in here, it is very unfortunate that the ill-considered and poorly thought- through filibuster by the NDP that stalled this legislation—I mentioned in the Legislature we used to look at change in matter of increments of a hundred years. Then it became 10 years and became matter of years. Now we see change sometimes happening in what seems to be weeks.

And the fact that this legislation was stalled by the Leader of the Opposition, the member for Concordia—very ill-considered that they would have decided to have stalled this important piece of legislation—only set Manitoba back.

We have very robust manufacturing here in the province of Manitoba. We have very robust bus manufacturing, agriculture equipment manufacturing and I would suggest to members of this kitty—committee that agriculture is way ahead of most industries when it comes to autonomous vehicles, and for them to be able to be testing this equipment on a more open basis is important. They've been asking for this legislation, they support this legislation and we're looking forward to it.

And I would just suggest that this legislation not be stalled any further by the NDP opposition and others, Mr. Chair.

So as a final comment, I would like to thank all of those who participated in consultations on this bill. We recommend its speedy passage.

Mr. Chairperson: We thank the minister.

Does the critic from the official opposition have an opening statement?

Mr. Matt Wiebe (Concordia): Well, thank you very much, Mr. Chair, and I'm happy to put a few words on the record with regards to Bill 20 this evening. This bill amends The Highway Traffic Act, The Insurance Act and the Manitoba Public Insurance act to allow for testing of vehicles with automated driving systems or other new technology.

While we agree with the need to test these vehicles with automated driving systems and other new technologies, we're concerned about the implementation of these broader regulatory powers that are included in this bill.

The bill simply leaves too much up to the discretion, and the details should have been worked out before introducing this bill rather than giving the minister the ability to work through these details through regulation. There should be clear, broad and a comprehensive plan being put forward that we can transparently see what the minister's intentions are, rather than deferring everything to this regulation and policy framework.

This bill is another example of the government giving broad, regulatory powers to the minister. Other examples include Bill 33, The Advanced Education Administration Amendment Act; Bill 10, The Regional Health Authorities Amendment Act; and Bill 37, The Planning Amendment and City of Winnipeg Charter Amendment Act.

This bill also doesn't seem to address some concerns the minister himself raised in 2018 on who is responsible if an autonomous vehicle hits another person or another vehicle. This is something that they should have outlined in the details of this bill, but instead have decided to keep Manitobans in the dark.

There are also some concerns about the lack of autonomous vehicle testing in snowy climates, which is another issue this minister has failed to address in this legislation.

As the minister mentioned, this is one of the bills that got held over from last year and it's quite surprising that despite his now claim that he's concerned about moving this through quickly, he was willing to walk away from this legislation, prorogue the legislature and dump this bill in the trash to only be reintroduced in this current session.

And though we gave him an additional year to clarify and codify some of the concerns that we had, that others have, about this exciting new technology, he failed to use that time and, just like how he was unprepared to speak to his own bill and Bill 13, he was unprepared to make this bill better and work with the opposition, work with industry and work with so many who want to see this move forward.

Instead, he threw it in the trash, walked away and brought forward the exact same bill, and I think that's irresponsible.

It is an important and exciting new field. You know, I think it might be a generational thing but definitely, I think younger folks are very excited about autonomous vehicles and the potential. The minister mentioned New Flyer. Well, he didn't mention them by name, but I think he was alluding to the work that they're doing. We've had a chance to talk to them, and are very excited by the work they're doing. We're certainly eager to work with them, even if this current government seems not to be as eager to do that.

And as I said, we're happy to move this forward. If the minister had brought this to our table in the fall and said, this is a priority, he knows that we would have passed it along. Instead, he threw it in the trash because his boss picked up his ball and walked away.

It's unfortunate that politics get ahead of getting things done around here sometimes, but we're going to stand and move this along and hopefully get this moving forward in this province.

Thank you, Mr. Chair.

Mr. Chairperson: We thank the member.

During the consideration of a bill, the enacting clause and title are postponed until all other clauses have been considered in their proper order.

Also, if there is an agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose.

Is that agreed? [*Agreed*]

* (20:40)

Clauses 1 and 2—pass; clauses 3 through 5—pass; clauses 6 through 10—pass; clauses 11 and 12—pass; clause 13—pass; enacting clause—pass; title—pass. Bill be reported.

Bill 23—The Highway Traffic Amendment Act (Control of Traffic by Flag Persons)

Mr. Chairperson: We will now continue on with Bill 23. Does the minister responsible for Bill 23 have an opening statement?

Hon. Ron Schuler (Minister of Infrastructure): As part of the Manitoba government's commitment to—as soon as the frat boy is done heckling, I will start my presentation.

An Honourable Member: Oh, point of order, Mr. Chair.

Point of Order

Mr. Chairperson: On a point of order.

An Honourable Member: Now, you know I know the minister's been heckling across the table all evening, but to address another member of this committee by a nickname like that, I mean, it's totally inappropriate. I think members of this committee will attest to the fact that I've carried myself under the rules in an appropriate way, standing up for the constituents who have come here before us.

That is totally out of line, Mr. Chair. I call this member—I would ask that this member be called to order on that. Like—

Mr. Chairperson: The honourable minister, on a point of order.

Mr. Schuler: On the same point of order, the member has been heckling all evening long and his behaviour is defined very poorly. He knows much better than that, and I know he's frustrated that he is responsible for this legislation, particular Bill 23, being held over, which is important legislation, including all the other pieces and, frankly, I think we should move on. I think—[interjection]

Mr. Chairperson: Order.

Mr. Schuler: I think we should consider—

Mr. Chairperson: Order.

The Chair will speak. All that I've been—hearing heckling on both sides. However, when the member was speaking—let's just keep it respectable so that we can carry on with these clauses.

* * *

Mr. Chairperson: So, minister, please make your opening statement—[interjection]—order, order, order. Order, order. Order. I said order.

Minister, please continue on with your opening statement.

Mr. Schuler: Can I proceed? [interjection]

Mr. Chairperson: Speak to the Chair, please. Carry on, Minister.

Mr. Schuler: As part of the Manitoba government's commitment to enhance film and television industry production in the province, this legislation will assist the industry with acquiring traffic control services when a production requires the use of a roadway in the province.

The bill will allow a traffic authority, either the Manitoba government for provincial roads and highways, or a city, town or municipality for municipal roads to authorize a company to use qualified flag persons to control traffic. This will be done by means of a permit from the traffic authority.

Currently, under The Highway Traffic Act, traffic control is limited to local police, RCMP, firefighters, in case of emergency, railway companies and companies performing road maintenance and construction.

These legislative changes expand the scope of who can control traffic.

The bill provides more options and flexibility to other organizations such as film production companies that want to film their movie in Manitoba, but require traffic control in order to do so.

We have experienced tremendous growth and interest in film production across the province. In fact, budget '21-22 enhances that even further to encourage even more film production, which means that this legislation is even more necessary.

Before the COVID-19 pandemic the film and video industry in Manitoba generated over \$260 million. We know there have been times in recent past where a company interested in filming in our province was unable to secure traffic control services because law enforcement officers were not available. This will no longer be the case with this amended legislation.

We will also lessen the demand on law enforcement to provide traffic control services in those cases where there is minimal safety risk to the public. Flag persons will need to hold a valid flag person certificate from accredited training provider.

The Province's Workplace, Safety and Health branch approves all flag person training providers in the province and will continue to do so.

We believe that Bill 23 has strong support from a wide range of stakeholders, including the film and video production industry. Stakeholders have told us that empowering a traffic authority to allow flag persons to control traffic on roads will both support the film industry and potentially generate cost savings for productions, while lowering the demand on law enforcement so they can focus on core public safety areas.

Demand and interest from film production is expected to grow in this province as we emerge from

the COVID-19 pandemic and with the incentives from Budget 2021-22. Without these legislative changes, companies may decide to forego Manitoba as a production location if they face challenges in securing traffic control services.

Thus, Mr. Chair, it is important that we stop 'salling'—stalling the important legislation in front of us, which was done by the member for Concordia (Mr. Wiebe) and the NDP. This would have a negative effect on Manitoba's ability to increase economic development of the film and video sector.

These legislative amendments come to ensure traffic safety by authorizing the traffic authority to permit the use of flag persons on a case-by-case basis. The changes will be particularly helpful in alleviating demand on law enforcement in rural Manitoba, where providing traffic control services to the film industry is not a core service.

This supports Manitoba's policing and public safety strategy, which includes the priorities of improving traffic safety and alleviating demands on police to perform non-core duties.

As a final comment, I would like to thank all of those who provided the input and support for this bill.

Mr. Chairperson: We thank the minister.

Does the critic from the official opposition have an opening statement?

Mr. Matt Wiebe (Concordia): I do.

Mr. Chairperson: Mr. Wiebe.

Mr. Wiebe: It sounded to me like maybe the minister was using the exact same speech that he gave at second reading on this bill. I may be wrong. I may be wrong. I'll give him some credit there that he may have changed it up a bit.

But I'm going to say the same thing that I said with regards to some of the concerns around Bill 23. You know, I'll start by saying that we certainly see the value to this. I think I shared at second reading that as a Folk Fest volunteer for a very, very long—many years, that I know the good work that people do to keep people safe at festivals and other get-togethers in Manitoba. There is certainly a lot of value to giving them more ability to control traffic.

And with regards to the film industry, you know, I think there is a lot of value there to make sure that we can encourage productions and allow them to operate in a way that's both safe and is also—helps their industry grow.

My concern, that I'll put on the record again, is ensuring that this is done safely. I think the minister's heard that message loud and clear here tonight. But on this bill in particular, I think there's, you know, a requirement for training and a requirement for proper reflective gear and designated gear. I think, again, he's heard those messages, so I think I'll leave it very short.

And the only other criticism I'll have is that, once again, we see the government bending over backwards to work with the film industry—which we're certainly not criticizing—but other industries who have been asking throughout the pandemic to have other considerations and have the government work with them in the same way have gone completely unheeded. So there is a lot to be concerned about with regards to that.

But with regards to Bill 23, we support this and want to see it move forward quickly.

Mr. Chairperson: We thank the member.

During the consideration of a bill, the enacting clause and the title are postponed until all other clauses have been considered in their proper order.

Also, if there is an agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose.

Is that agreed? [*Agreed*]

Clauses 1 and 2—pass; clauses 3 through 6—pass; clause 7—pass; enacting clause—pass; title—pass. Bill be reported.

Bill 28—The Water Resources Administration Amendment Act

Mr. Chairperson: And I'll continue on with Bill 28 clause-by-clause. Does the minister responsible for Bill 28 have an opening statement?

Hon. Ron Schuler (Minister of Infrastructure): I do.

Mr. Chairperson: The honourable minister.

Mr. Schuler: This legislation will strengthen administration and stewardship of provincial water infrastructure, including provincial waterways and provincial water control works. This bill also provides government to increase powers to manage and protect provincial water infrastructure, including flood infrastructure and the numerous drains that support agriculture production across our province.

Provincial water infrastructure consists of water control works under the government's control as well as any lakes, rivers or other water channels that are designated as provincial waterways.

Manitoba Infrastructure is responsible for the construction, operation and stewardship of provincial water control infrastructure, with an estimated asset value of approximately \$7 billion. Given the roll-in value of these assets, it is crucial that the Province take steps to protect this valuable infrastructure.

* (20:50)

Provincial water infrastructure includes more than 4,750 kilometres of provincial waterways, 425 kilometres of linear river dikes, 90 provincial dams, eight diversions and 19 community rain dikes, numerous reservoirs and pumping stations and many through-dike culverts, drain crossings and other water control structures. Collectively, this infrastructure is critical to providing flood protection for Manitobans, drainage to support Manitoba's agriculture sector, recreational opportunities and connectivity for smaller, rural transportation networks.

In the recent past, prohibited and harmful activities have occurred on provincial water infrastructure. Government and taxpayers are paying the cost to repair and remediate this inadvertent or deliberate damage.

There are many examples of prohibited activities occurring on provincial waterways without any consequence because of the act's insufficient 'enforcement' provisions, such as: a person excavated a significant amount of soil from a provincial dike for their own purposes and sold it as fill. Mr. Chair, that meant not just did the taxpayers have to pay to have it put back and packed, it actually put that community at risk. Had there been a major high-water event, it could have been very expensive, it could have been fatal.

Another case: a person dumped boulders in a provincial waterway, resulting in obstruction and necessary removal by the Province at a cost. Again, Mr. Chairman, this is very dangerous behaviour that if you're blocking a provincial waterway or a pipe, it is there for a reason. It's been engineered and it is there to take off water when it is most needed. This was a very irresponsible and dangerous action.

Another situation: a person established campground sites on a provincial waterway adjacent to a private campground and charged a fee for the site to use it. Irresponsible at best.

Last example: a person drilled a private well through a dike, resulting in damage to the integrity of the dike and necessary repairs—repairs at taxpayers' expense. I would say through you, Mr. Chair, to the committee, these dikes are structurally very sound. They are built in such a way that they can take immense amounts of pressure. They are developed and done so in such a way that it takes currents, it takes pressure, it—grasses and weeds are allowed to grow on it so that there's a good root 'nekwort' in the dam.

And to drill anything into one of these structures is very dangerous and again, had we had a high-water event, this could have ended up being catastrophic for the community. It was irresponsible and cannot be allowed to happen.

Thus, this bill strengthens enforcement provisions including the designations of officers, stronger mechanisms to recover costs for damage and repair and the ability to establish fines to deter harmful activities on provincial waterways. This will reduce stewardship costs for government and increase the quality and longevity of provincial water infrastructure.

The bill also provides clear prohibitions for activities on provincial waterways and specifies the type of activities that can be undertaken with a permit.

Furthermore, the bill allows the minister to prohibit or restrict public access to provincial water infrastructure through a temporary ministerial order. This will protect public safety where there is a significant risk such as during a high-water event or flood.

To be very clear, when we have a serious situation like a high-water event or even a flood, we do not want Sea-Doos or boats or any kind of pleasure craft, any craft of any kind on our waterways because that adds to the danger of the situation.

There are individuals that are tasked with protecting these communities and they need access often very quickly and quite immediately. So we would suggest to committee this is a very important part of this legislation.

We believe that Bill 28 has strong support from a wide range of stakeholders who recognize that the maintaining the quality and health of provincial water infrastructure supports flood protection, agriculture production, a secure water supply and public safety.

I would also like to point out committee that we be very clear in all the legislation that we've been

talking about that regulations must be drafted after legislation is passed. For the member for Concordia (Mr. Wiebe), I know he's been here for a while, but sometimes we forget how things line up.

So first legislation comes to this Legislature and it does allow for amendments to come forward so we do not draft regulations until the legislation is passed. After the regulations are written—after the law is passed and regulations are written, they must go for public consultation for 40 days and then must be considered when the regulations are finally ready to go and then they they are posted and it is a very open and public process. But again, regulations are drafted after legislation is passed.

As a final comment, I would like to thank all those who participated in consultations on this bill.

Mr. Chairperson: We thank the minister.

Does the critic from the official opposition have an opening statement?

Mr. Matt Wiebe (Concordia): I do.

Mr. Chairperson: Mr. Wiebe.

Mr. Wiebe: This bill, Bill 28, gives the Pallister government increased powers over water control works and over provincial water infrastructure.

Currently, only local authorities may enter into an agreement with the government for the construction or operation of a water control work, including a cost-sharing arrangement. Other parties will now be able to enter into such an agreement.

The government may issue a repair or removal order to a person for anything done without a permit. Failure to comply with this order may result in the government performing the work at the person's expense.

Public access to provincial water infrastructure can also be prohibited or restricted by ministerial order for up to 90 days.

We know that it is best for Manitobans when all levels of government can co-operate. Unfortunately, this government—the Pallister government—doesn't like to work with municipal governments and continues to pass legislation that makes it easier for the Province to go over the heads of municipalities.

This bill would explicitly give the minister the ability to cut municipalities out of the decision making on water control structures and authorize work without the municipality's agreement.

Section 6(1) currently requires the Province to enter into an agreement with the local authority. The Pallister government wants to end this co-operative approach.

The minister would also have the authority to decide who gets what contracts without consulting the affected municipality. On top of this, the minister can still force the municipality to pick apart—pick up part or all of the costs.

This bill removes section 7 of the current act, which established how contracts should be established between the Province and municipalities for water control works.

These provisions are no longer required, as the government is giving itself the ability to cut out municipalities, hire the work themselves and bill back the municipalities for all or part of the work.

This bill represents a significant weakening of the role of local RMs and also their ability to encourage local economic development, as normally, municipalities might contract locally for such work.

Bill 28 also gives significant power to the minister to take property. Previously, the minister was restricted to the requirements of The Land Acquisition Act. This bill removes that, giving broad discretion, again, to the minister.

This government keeps introducing bill after bill that would legislate a significant overreach of the minister's authority over municipalities. This raises the question: why can't the Pallister government simply work with municipalities to come to an agreement on these matters, rather than giving themselves such broad, unbridled power?

I'd like to thank the committee this evening for the time to consider this bill. We do have some concerns with this, as we do with many others, but we would like to see it move forward. Thank you very much, Mr. Chair.

Mr. Chairperson: We thank the member.

During the consideration of a bill, the enacting clause and the title are postponed until all other clauses have been considered in their proper order.

Also, if there is an agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose.

Is that agreed? [*Agreed*]

Clauses 1 and 2—pass; clause 3—pass; clauses 4 through 8—pass; clauses 9 through 11—pass; clause 12—pass; clauses 13 through 17—pass; clauses 18 and 19—pass; clauses 20 and 21—pass; clause 22—pass; clause 23—pass; clause 24—pass; clause 25—pass; clauses 26 and 27—pass; clauses 28 and 29—pass; clauses 30 and 31—pass; enacting clause—pass; title—pass. Bill be reported.

The hour being 9 p.m., what is the will of the committee?

Some Honourable Members: Committee rise.

Mr. Chairperson: Committee rise.

COMMITTEE ROSE AT: 9 p.m.

WRITTEN SUBMISSIONS

Re: Bill 13

Winnipeg Construction Association

The Winnipeg Construction Association, established in 1904, represents the commercial construction industry in Manitoba. Our member firms include general contractors, sub-contractors, manufacturers, suppliers, financial institutions, lawyers, insurance and bonding companies and brokers. This includes both unionized and open-shop contractors. These members deliver \$2 billion worth of high-quality, cutting-edge industrial, commercial and institutional buildings for Manitoba annually.

The WCA has been proudly serving the ICI construction industry in Manitoba for over 115 years with an independent and reasoned approach to policy and government affairs. Our diverse membership base is our strength, delivering policy and advocacy priorities which are member driven and vetted, always with the focus to serve and promote the construction industry in Manitoba.

All policy advocacy positions are developed in consultation with our diverse membership directly and through our Government Relations Committee. Policy positions are then approved and endorsed through our Board of Directors to ensure WCA positions have an 'all of industry' perspective.

Bill 13—The Public Sector Construction Projects (Tendering) Act

This Bill ensures that preferential treatment can not be given to construction contractors based on their use of a unionized or a non-union workforce. This is paramount in providing fair and open tendering and ensures there is a greater number of contractors able

to bid on public projects.

Competition in the bidding process is healthy. Competition between construction contractors forces the industry to adapt and improve. Competition for projects ensures that project owners have the most options to evaluate against their selection criteria.

The Winnipeg Construction Association supports fair and open tendering—therefore we support this bill.

Darryl Harrison
Winnipeg Construction Association

Re: Bill 13

Merit Contractors Association represents a significant portion of the open shop construction community in Manitoba. Our membership is diverse with members in the Heavy/Civil sector, general contractors, mechanical and electrical. We are the only industry association that exclusively represents open shop contractors. In our group of members, wages and benefits to workers often are at or above the compensation offered by a collective agreement. Of note is that most of the construction sector (over 70%) in Manitoba and in Canada is open shop.

Bill 13 is something that Merit strongly supports as it ensures that all employers and their employees have an opportunity to work on public projects without having a labour model imposed upon their workplaces based on the ideology of government. Bill 13 is about enabling free choice and competition. This should not be controversial and is a very good thing. It is well documented that when more of industry can participate, competition intensifies, bidding is more intense and concurrently investment in innovation and productivity increase.

Bill 13 allows the successful bidder to determine the labour/management model it will employ to do the job. Merit promotes open and fair tendering on all publicly funded infrastructure projects. The choice to organize or not is for the worker, not government to make.

In closing it is our view that the government should not be prescribing through policy or legislation whether a company must be open shop or unionized to work on a project. Merit has done polling on this topic and most Manitobans do not agree with having to unionize to work on a public project.

We are supportive of Bill 13 and believe that legislation that opens competition to most of the industry is the right thing to do.

Sincerely,

Yvette Milner
President
Merit Contractors Association of Manitoba

Re: Bill 13

CLAC is an independent multi-sector union that represents 60,000 Canadian workers. On behalf of our members in Manitoba, we offer this submission in support of Bill 13, The Public Sector Construction Projects (Tendering) Act that is now before the Manitoba Legislature.

Access to government infrastructure and procurement projects should be open to competitive bidding, governance by a fair tendering process, and non-discriminatory in terms of union affiliation. CLAC supports the governments commitment to end the practice that workers need to become union members to work on public infrastructure projects, as it infringes on their rights to determine whether they want to be represented by a union.

Bill 13 will level the playing field for all bidders and protect worker interest in freedom of association. Restrictive project labour agreements have long profited certain unions and served the interests of an exclusive cross-section of the Manitoba workforce for too long. Society and industry are well served in a pluralistic, competitive environment in most areas including trade unionism. Bill 13 signals the end of monopolistic agreements between the province and certain building trades unions.

Limiting competition through restrictive project labour agreements removes the engine that drives efficiency inspired innovations, driving up costs along the way. Bill 13 will support healthy competition and innovation among companies vying for the work.

The time is right to restore fairness to the province regarding the tendering of public contracts. CLAC believes that this legislation will be of great benefit to Manitobans, and we urge its speedy passage by this Committee and the Manitoba Legislature.

Nathan Koslowsky
Representative
CLAC

Re: Bill 13

The Progressive Contractors Association of Canada (PCAC) is pleased to submit our comments in support of Bill 13 The Public Sector Construction Projects (Tendering) Act.

About PCA

Founded in 2000, the Progressive Contractors Association (PCA) is the voice of progressive employers in Canada's construction industry. Employing more than 25,000 skilled construction workers across Canada who are represented (unionized) by the Christian Labour Association of Canada (CLAC), we believe in a strong union voice and fair wages for workers as well as in innovation, cooperation and dialogue. PCA takes an inclusive, non-confrontational stance and work to bring together the interests of both labour and business to meet important commercial and public policy goals.

PCA member companies are leaders in infrastructure construction nationally and are especially prominent in western Canada. PCA contractors are responsible for 40 per cent of energy and natural resource construction projects in Alberta and British Columbia. They are also building major projects across Manitoba including:

- Wastewater treatment in South Winnipeg, Brandon, and in various remote communities including First Nations;
- Schools in Winkler, Steinbach and in various First Nations;
- Pipeline construction and maintenance with Enbridge and Trans-Canada;
- Tank farms;
- Commercial and institutional infrastructure, including correctional facilities, casinos and retail;
- Industrial projects such as the tarpon electrical upgrade at Swan River.

PCA's goal is to work towards a fair and open construction industry across Canada characterized by cooperative labour relations, high health and safety standards,¹ and a robust, mobile capable and inclusive workforce, promoting the inherent dignity of the skilled trades and meeting Manitoba's need for skilled workers in decades to come. We believe in open competition in which no sector is given artificial and unfair advantage over another on the basis of union affiliation or lack thereof.

PCAC has long been urging the Government of Manitoba to eliminate the discriminatory provisions of Project Labour Agreements, such as those on the East Side Road project and the Keeyask Generation Station, which in effect impose a monopoly on behalf of Manitoba's Building Trades Unions. We have argued that these provisions are inefficient, unfair and against best procurement practices—and possibly contravene the Canadian Charter of Rights and Freedoms right to Freedom of Association. And we view the passage of Bill 13, after lengthy stonewalling by Manitoba's New Democratic Party, as timely, necessary, and an important step in ensuring that all Manitobans have access to public work in the future.

Why PCAC supports Bill 13

Although PCAC's support for Bill 13 have been well-known and public, allow us to reiterate why we support this bill and why we believe all Manitobans will benefit from its passage.

1. It promotes fairness for Manitobans, in that all companies and workers, regardless of their labour affiliation, will have access to public work that is paid for by their tax dollars.

Where a government agency fosters a labour monopoly, or oligopoly, it risks differential treatment of its citizens and an inefficient use of tax dollars. Public procurement in Canada strongly favours healthy competition because the bidders who compete for public contracts are also members of the public, and they deserve an opportunity to compete for these contracts based on merit rather than their private affiliations or memberships.²

2. By fostering healthy competition, it will deliver the best value for money for public projects.

The PLAs that govern the major projects of Manitoba Hydro currently compel workers to secure and maintain membership with one of the designated unions as a condition of employment on a Manitoba Hydro project. This acts as a deterrent, driving down the intensity of competition—and raising costs. Both economic theory and historical case studies show that a greater number of bidders is more likely to lead to greater value for the purchaser. A government or a government agency is more likely to receive better quality construction for a lower price as the number of bidders increases.

There is a large body of research that confirms this. For example, a 2014 Cardus study confirmed that limiting public procurement by union affiliation did not promote the public interest. Instead, restricting

competition in public bidding in this way increased costs by 20% to 30%, a significant and deleterious consequence for taxpayers.³

Just as important as the actual number of bids received, is the number of bids a bidder anticipates. A construction contractor tends to base its prices on the anticipated intensity of competition, and the clearest measure of this is the number of contractors bidding in open competition. A major study which compared a variety of public works projects from around the world found there was a decrease over a range of 20% to 25% in the number of bidders as a result of restrictive tendering.⁴

3. It brings Manitoba's policies in line with its own public procurement regulations.

The importance of competition and openness has not been overlooked by the Manitoba government. Specifically, the Strategic Direction of the Procurement Services Branch lists the objectives of the government when acquiring goods and services. Its approach champions the need for fairness and an efficient use of resources:

To ensure that every purchase represents a fair and reasonable cost to the taxpayer for the required goods or services.

To ensure that all qualified and interested potential suppliers are extended the opportunity to compete for Provincial Government business...

To provide strong leadership in the procurement process through knowledge, teamwork and communication with the aim of enhancing efficiencies and cost savings for our clients as well as ensuring transparency and fairness of government business for the supplier community.⁵ [emphasis added]

Manitoba Hydro's procurement policy similarly strives for economy and efficiency:

We are committed to procuring, in a reasonable and economical manner, all equipment, materials, supplies and services required to construct, improve, operate and maintain our facilities and the reliability of our services to you.⁶

Despite these stated mandates, Manitoba Hydro's restrictive PLAs continue to exclude potential and competitive suppliers to a construction project based on the artificial distinction of an affiliation with an international building trade union.

Membership in a particular trade union is a function of personal choice and does not signify any objective standard of qualifications has been met by the member, particularly under the current PLA framework whereby an individual is compelled to join after he or she has been hired to work on a Manitoba Hydro project.

4. It is democratic. It has been a long-held election promise of the current government, and the contents of this bill have been thoroughly debated and discussed in public forums across the province.

The current Progressive Conservative government has been straightforward in its plans to restore labour neutrality for Manitoba's public infrastructure project. The rationale behind this pledge are the ideals of equality and economy: Premier Pallister has repeatedly referred to the practice as "forced unionization", creating a labour framework that is "unfair to unionized people and unfair to non-unionized people" and driving down participation in the project bidding process.⁷

Conclusion

PCAC agrees with the sentiments of Manitoba's PC Government that the time is right to restore fairness to the province in regard to the tendering of public contracts. We believe that this legislation will be of great benefit to Manitoba's business community, its construction workforce and to Manitobans at large. And we urge its speedy passage by this Committee and the Manitoba Legislature.

Mike Martens

Progressive Contractors Association of Canada

Re: Bill 20

To Whom It May Concern,

On behalf of the Association of Manitoba Municipalities (AMM), which represents Manitoba's

137 municipalities, I am writing to provide some comments regarding Bill 20: The Vehicle Technology Testing Act.

Based on discussions with Manitoba Infrastructure (MI) officials, the AMM understands the provincial government will ultimately authorize test permits for testing vehicle technology on public roadways. If a proposal comes forward to test vehicle technology on municipal roads, the AMM also understands that the Province will seek consent from the respective municipality as well as provide technical support and assistance to local Councils and administration so they can make informed decisions regarding vehicle testing proposals. The AMM welcomes and appreciates this commitment given the extensive federal requirements and safety standards necessary for vehicle testing.

In addition, applicants must have adequate Third Party Liability insurance and indemnify the Government of Manitoba, including Manitoba Infrastructure, against any legal action or other liabilities by signing a standard indemnity agreement. Similar requirements should be extended to include municipalities if testing will be conducted on municipal roads for consistency purposes. The AMM also encourages the Province of Manitoba to clarify the processes related to enforcement and compliance with test permits. Since the Province will be issuing test permits, it is essential that the Province retain responsibility for ensuring vehicle testing is conducted in accordance with the regulations or conditions of the permits.

Thank you for the opportunity to provide these brief comments.

Sincerely,

Denys Volkov

Executive Director

Association of Manitoba Municipalities

The Legislative Assembly of Manitoba Debates and Proceedings
are also available on the Internet at the following address:

<http://www.manitoba.ca/legislature/hansard/hansard.html>