PUBLIC HEARINGS ON BILL 44
LABOUR STATUTES AMENDMENT ACT, 1983

Wednesday, April 27, 1983

[The committee met at 2:30 p.m.]

MR. CHAIRMAN: I would like to welcome you to the third day of public hearings of the Public Affairs Committee with regard to Bill 44. For those who were not present on the first two days, I will run over the procedures under which the hearings will be held. Each presenter has a maximum of 40 minutes, including the time allotted for questions from members. The presenting groups may use this time in any manner they see fit. They can use 30 minutes of it for their presentation and 10 minutes for questions, or any combination thereof, whatever is most beneficial to their group. A bell will ring briefly at the 35-minute mark, signifying that five minutes remain. A bell will ring at the end of that five-minute period, signifying the end of the presentation or questions from the committee.

Special sections have been reserved in the members gallery for presenters of submissions, invited guests of members, and the public. The hearings will be conducted under the rules governing the procedure of the Legislative Assembly. There will be no standing or interruptions from the galleries. All questions to the presenters will be only for clarification of the brief being presented. Due to the time constraint, we'll only be allowing two supplementary questions.

Because the sound system is at table level, we ask the presenters to remain seated while making their presentation and the members to remain seated while asking their questions. The only other thing I have to say is that the proceedings will be recorded in their entirety by *Hansard.*

With that, I would like the vice-chairman to invite our first presenters to make their presentation.

Alberta Hospital Association

MR. VICE-CHAIRMAN: Thank you, Mr. Chairman. As outlined by the chairman, we know the auspices under which the presentation will be made. We would like to welcome the Alberta Hospital Association. The representation is by Mr. Edward Knight, president; Mrs. Lois Radcliffe, first vice-president; and Mr. Bud Pals, past president. Would you proceed with your representation.

MR. KNIGHT: Thank you, Mr. Chairman and Members of the Legislative Assembly.

The Alberta Hospital Association is pleased to respond to the public notice inviting submissions with respect to Bill 44, the Labour Statutes Amendment Act, 1983. The association commends the government for affording qualified parties an opportunity to comment on this important proposed legislation.

It is our intention to utilize the time at our disposal in an efficient manner. We will briefly describe our association with respect to its mandate, authorities, and particular responsibilities in the area of labor relations. An overview of the AHA's experience acting on behalf of its member institutions in the health field collective bargaining arena will be presented. Two pertinent resolutions adopted at the annual meeting of the Alberta Hospital Association in December 1982 will be submitted due to their relevance to this submission on Bill 44. The major thrust of the AHA's presentation deals with its views regarding legislation that would offer a workable alternative to the current labor legislation as applied to the hospital field.

The Alberta Hospital Association has occupied a prominent position in the health care field of this province since 1919. Over the years, a number of changes in name, mandated and legislated responsibilities, and scope of activities have evolved. The association became a corporate body by virtue of a statute of Alberta assented to on March 31, 1948. It's of interest to note that the association's responsibility for the Alberta Blue Cross plan also dates from the 1948 statute. In 1965, an amendment provided for the objects and powers of the association to be extended to include the right to represent member hospitals in collective bargaining with hospital employees, organizations representing hospital employees, and trade unions. In short, the Alberta Hospital Association has addressed itself to the many and complex aspects of health care delivery to Alberta citizens for some 64 years.

There are three pieces of legislation which are particularly relevant to this submission. First, the Hospitals Act, chapter H-11, *Revised Statutes of Alberta 1980,* section 27:

> Each approved hospital must have a governing board and, subject to any limitations of its authority imposed by Acts of the Legislature and regulations under it, the board has full control of that hospital and has absolute and final authority in respect of all matters pertaining to the operation of the hospital.

Second, the Alberta Hospital Association Act, chapter A-29.1, assented to on December 2, 1981, section 5(e):

> regulating and promoting sound labour relations on behalf of the members of the Association and their employees or agents of their employees;

Third, the Labour Relations Act, chapter L-1.1, *Revised Statutes of Alberta 1980,* section 77(1):

> When an employers' organization is established by statute and is given authority by one or more of its members to represent them, the employers' organization may, with the consent of the bargaining agent, bargain collectively on a joint basis for those members.

The responsibilities of hospital boards mandated under the foregoing pieces of legislation are substantive and, we believe, have been exercised responsibly in the interests of the citizens of Alberta.

In the area of employee relations, an excerpt from the Alberta Hospital Association's statement of philosophy on employee relations is particularly relevant to this submission:

> The continuing capability to provide a high quality of health care to patients is enhanced by a positive employee relations atmosphere. The Alberta Hospital Association is committed to assist member institutions in the promotion of positive and productive relationships with their employees which will significantly contribute to the continuing delivery of the highest quality of health care achievable in a responsible cost effective manner to the public of Alberta.

The association's mandates as contained in the Alberta Hospital Association Act require extensive activities in most aspects of effective delivery of health care services to Albertans. A brief review of those mandates may be helpful in placing this submission on a broader perspective. Such can be best accomplished by reference to section 5 of the Alberta Hospital Association Act:

The business and affairs of the Association shall be carried on without the purpose of gain for its members and, subject to section 10, any profits or other accretions shall be used for the purposes of

(a) encouraging and assisting members of the Association to provide hospital services of high quality;

(b) fostering and promoting the concept of local authority and control over the provision of hospital services;

(c) studying, considering and discussing all matters relevant to, and distributing information and advice to, members of the Association concerning

(i) the planning, construction and equipping of hospitals and other facilities that provide hospital and other health care services,

(ii) the organization, management and administration of hospital and other health care facilities,

(iii) the development, maintenance and improvement of standards of hospital and other health care services,

(iv) the education and training of personnel providing hospital and other health care services,

(v) any other matter related to public health, and

(vi) any other act incidental to or in conjunction with the operation of the Plan;

(d) representing members of the Association in discussions and negotiations with governments and government agencies and with organizations that are engaged in providing or are otherwise interested in the provision of hospital and other health care services;

(e) regulating and promoting sound labour relations on behalf of the members of the Association and their employees or agents of their employees;

(f) co-ordinating the activities of members of the Association in co-operative or collaborative ventures;

(g) initiating and carrying out projects, plans or programs and operating and furnishing services designed to improve the quality [of the efficiency] of services provided by members of the Association that, in the opinion of the Association, will contribute to the improvement of health and well-being of the residents of Alberta.

The AHA's collective bargaining history:

Following passage of the legislation in the mid-60s granting the association authority to bargain on behalf of member institutions, provincial bargaining commenced with the respective health care unions. The majority of such provincial negotiations have been undertaken during the past decade. Prior to the 1970s, most collective bargaining was performed under voluntary recognition agreements or other procedures developed between the relevant parties.

The Alberta Hospital Association records indicate that since the commencement of province-wide bargaining, the AHA has represented member institutions in collective bargaining with major health care unions in a manner that has resulted in settlements at the bargaining table in most cases, and without interruption to health care delivery to Albertans. Approximately 38 sets of provincial negotiations were undertaken, resulting in 34 agreements without having to resort to strike or lockout. The remaining four negotiations resulted in work stoppages, three involving the United Nurses of Alberta in 1976, 1980, and 1982, and one with the Canadian Union of Public Employees in 1978.

Resolutions of the Alberta Hospital Association annual meeting, 1982:

The basis of the Alberta Hospital Association's position on the need for improved labor legislation flows from the disposition of two pertinent resolutions at the 1982 annual meeting. These resolutions are a matter of public record but are indicated here for the information of the Standing Committee on Public Affairs.

Resolution No. 9, essential services legislation:

WHEREAS the citizens of Alberta are denied adequate Health Care during hospital strikes,

AND WHEREAS hospital employees working in Crown Agencies are denied the right to strike,

AND WHEREAS hospital employment is an essential service in Alberta,

THEREFORE BE IT RESOLVED that the Alberta Hospital Association make representation to the Government of Alberta requesting that legislation be enacted to place all hospital employees in Alberta in the category of "not having the right to strike."

Resolution No. 9 was defeated by the assembled delegates.

Resolution No. 10, alternative to strike, labor negotiations:

WHEREAS labour negotiations in recent years have precipitated hospital strikes;

AND WHEREAS the labour negotiation process under current conditions leads to government intervention;

AND WHEREAS an effective labour negotiation process has not been possible because of intervention by third parties not directly involved in the labour negotiation process;

AND WHEREAS the strike situation has significant threat, or potential threat to the well-being of patients;

AND WHEREAS it is considered that the strike process is no longer a valid process in the hospital setting;

AND WHEREAS a valid labour negotiation process could be restored through a change in labour legislation to provide for an alternative such as essential position designation;

THEREFORE BE IT RESOLVED that the Alberta Hospital Association and its members, organize a strong lobby to bring about the necessary change in labour legislation which would allow alternatives to the present strike process.

Resolution No. 10 was adopted by the assembled delegates.

The Alberta Hospital Association board of directors responded to the direction of the membership by initiating a careful review of existing labor legislation in other jurisdictions. Further, several meetings were held with the Minister of Labour and senior departmental officials, where a frank exchange of views on the complex matters inherent in Resolution 10 were explored.

The association has adopted a position in support of the process known as essential position designation as a more appropriate method of resolving labor disputes in the hospital and nursing home sector. Our membership's rejection of Resolution 9 and adoption of Resolution 10, together with the board's analysis of the various alternatives, results in support for essential position designation. The AHA views continuation of the provincial collective bargaining process under current legislation to be unac-

ceptable. The disposition of Resolution 9 indicated our membership's disapproval of adopting the other extreme, no-strike legislation.

In a letter dated January 10, 1983, from the president of the Alberta Hospital Association to the Hon. Minister of Labour and the Hon. Minister of Hospitals and Medical Care, the rationale for the AHA's adoption of a posture on essential position designation was offered for consideration. The content of that letter was recently made available to all Members of the Legislative Assembly. It states the following:

> Our member hospital and nursing home boards are deeply concerned about the impact on the right of citizens to the benefits of health care resulting from the conflict of the legal right of health care workers to withdraw their services and the responsibilities of the boards to provide care to citizens in their communities.
>
> The provisions of the Labour Relations Act of Alberta provide for the legal right to strike for unionized health care employees in hospitals and nursing homes falling under the Labour Relations Act. The Alberta Hospital Association, throughout its history in representing its members in collective bargaining, has demonstrated that collective bargaining has and can continue to work. It believes that the quality of the relationship a Board has with its employees has a direct positive correlation to the quality of care provided to patients in the various communities throughout Alberta. It does not believe that the removal of the right to strike improves the quality of the employer-employee relationship.
>
> Section 27 of the Hospitals Act, R.S.A. 1980, CH-11, clearly identifies the responsibility of local boards for the provision of hospital based patient care services in their communities:
>
> > "Each approved hospital must have a governing board and, subject to any limitations of its authority imposed by Acts of the legislature and regulations under it, the board has full control of that hospital and has absolute and final authority in respect of all matters pertaining to the operation of that hospital."
>
> Notwithstanding this public policy, the Government of Alberta has deemed it necessary to intervene in the last three sets of negotiations between the Alberta Hospital Association and the United Nurses of Alberta.
>
> The concerns of our member boards derive from two points of view:
>
> i) With respect to our experience with the United Nurses of Alberta, many member boards are asking — Why retain the right to strike as part of the bargaining process when the government keeps on intervening and ordering nurses back to work?
>
> ii) Many boards are torn between endorsing the right of their employees to legally withdraw their services in support of bargaining demands and, the responsibility of the boards to ensure a level of safe and critical services to the public during a legal work stoppage of one or more of their health care unions.
>
> The July 20, 1982 brief submitted by three Calgary hospital board chairmen extensively identified the unsuccessful experience of two of them in attempting to have their respective U.N.A. locals provide certain emergent/critical services for the duration of the strike.
>
> It is the position of the Alberta Hospital Association that legislative initiatives should be taken by the Government of Alberta in the 1983 Spring Session of the Legislature that will make binding on health care unions the designation by affected hospital boards of certain positions to be essential during a legal work stoppage. This provides for a "controlled" strike and allows boards to meet their responsibility for providing an acceptable level of patient care services to their communities.
>
> The Hospital boards see this as a trade-off between requesting full removal of the right to strike and the current unfettered right of employees in a bargaining unit to completely withdraw their services. In respect of the complete withdrawal of the right to strike, our member boards do not wish further encounters with the uncertainties inherent in binding arbitration. We see no role for involvement of third parties that will impact their ability to carry out their responsibilities under Section 27 of the Hospitals Act.
>
> The Alberta Hospital Association therefore recommends for your consideration the following principles to be embodied in labour legislation in respect of essential position designations:
>
> 1. Legislative provisions for designated essential positions should apply to all unionized employees in hospitals and nursing homes in Alberta.
> 2. In keeping with their legislated responsibilities under the Hospitals Act, Hospital Boards operating under the Labour Relations Act will advise the Government of Alberta of those services that are required and the positions that they have designated as being essential in their respective bargaining units.
> 3. Such designations will be made by Hospital Boards in advance of the commencement of the period during which either of the parties can legally serve notice to commence collective bargaining.
> 4. Acting within the framework of this legislation, the Government will advise the respective unions of the essential positions as designated by the Boards.
> 5. The legislative provisions will provide for the essential designations to be binding on the parties to collective bargaining.
> 6. It is important to highlight that the essential employees the Boards designate are competent to provide the required services in the designated essential positions.
> 7. The implementation of essential position legislation would make it unnecessary to implement any statutory provisions, such as are currently referenced in Sections 148 and 149 of the Labour Relations Act providing for the declaration of emergencies, return to work and imposition of binding arbitration. If the Legislature endorses the concept of controlled strikes through essential position designations, then we suggest a new alternative has been selected that need not be diluted with the ongoing presence of back to work and public emergency tribunal provisions for the health care industry. The events of the last twelve months have shown the inadequacy of the binding arbitration system.

> We believe we are offering an alternative to the citizens and the Government and look forward to continuing discussions with you on our critically important and timely recommendations. We would at the same time be pleased to share with you our preliminary findings in our recent cross-Canada review of the essential services issue.
>
> The Alberta Hospital Association therefore recommends this alternative of essential position designation for consideration by the Government of Alberta. We strongly believe that this alternative is consistent with legislated Board responsibilities.
>
> Representatives of the Board of the Alberta Hospital Association, Employee Relations Committee and staff are available to meet with you and your colleagues as soon as possible.

In summary, through this submission the Alberta Hospital Association has provided comment on its mandated responsibilities, the pertinent legislation on health care labor relations matters, a brief historical review of the AHA's record in provincial collective bargaining, the directions of its membership through recent resolutions and, finally, its official and preferred position favoring essential position designation.

The removal of the right to withdraw services from any group of working people, particularly if they previously had such a right, is an action the consequences of which must receive careful consideration. The mere fact that we have been allowed to make this presentation to this Assembly clearly indicates to us the serious nature of and earnest consideration this proposal is receiving by Alberta's elected representatives.

Subsequent to the distribution of Bill 44 to our member hospitals and nursing homes, I as president requested that the regional directors of the association attempt to obtain the current views of our membership on the no-strike provisions contained in the Bill. The regional directors of the AHA, representing as they do both urban and rural Alberta, trustees and administrators, and all sizes of hospitals and nursing homes, met on April 20, 1983. The directors had detected a significant shifting of view on the part of the membership. Accordingly, the board of directors adopted a resolution supportive of the provisions of Bill 44 relating to the removal of the right to strike. Although the board's preferred solution appears not to be acceptable to the government, Bill 44 does meet the objectives of the membership in assuring continuity of health care services. The Bill does in fact provide an alternative to the present strike process that we sought to modify.

In my capacity as president and spokesman for the association, I wish to advise you of this position and assure you that if Bill 44 is adopted by this Assembly, the Alberta Hospital Association will do all in its power to work with the new legislation toward the promotion of positive employer/employee relations in the health care sector. You may rest assured that the association will bring to the attention of the responsible minister experiences which highlight any shortcomings of this legislation that become apparent in actual practice.

The Alberta Hospital Association again acknowledges the opportunity accorded it and other interested parties to appear before the Standing Committee on Public Affairs, all of which is respectfully submitted and signed by the president of the Alberta Hospital Association.

MR. VICE-CHAIRMAN: Thank you, Mr. Knight. We now have questions for clarification.

MR. MUSGROVE: Mr. Chairman, I have a question and probably a supplementary. First, I'd like to commend the Alberta Hospital Association for polling their directors and members and qualifying their position on the issue that's before us today.

Mr. Chairman, as a previous member of the Brooks hospital board, I'm aware of the concern of a number of hospitals which expressed the view that despite assurance from the UNA that urgently needed services would be provided, they found that the union did not provide enough staff to assure services in a predictable and safe manner during the 1982 strike. Are you aware of this concern being expressed, and do you share the concern?

MR. KNIGHT: On July 20, 1982, the board chairmen of three hospital boards in Calgary — Calgary General hospital, Foothills, and hospital district 93 — submitted a letter to the Hon. Leslie G. Young, Minister of Labour. I have a copy of that if you wish to receive it as information.

MR. MUSGROVE: A supplementary question. Were any attempts made to obtain a suitable solution? In other words, did you meet with any of these groups to see if they would reciprocate and provide the urgently needed services?

MR. KNIGHT: Mr. Chairman, is the question in relation to the situation in Calgary or to the province as a whole?

MR. MUSGROVE: We're referring to the two or three hospitals that really had a problem during that time.

MR. KNIGHT: I'd like to ask Mr. Pals to respond to that. He was the president last year and the spokesman for the association during that strike, and was very intimately involved in all the activities that took place at that time.

MR. PALS: Mr. Chairman, while the strike was on and some difficulties were being experienced in the provision of critically essential services, I did in fact meet with Mr. Young, Dr. le Riche, and the president of the United Nurses of Alberta, Mrs. Ethier. We discussed the situation and how we could provide those critical services. We were not able to resolve the problem at that time. The situation was that the nurses' union did not agree with the assessment made by the medical staff and the boards of hospitals as to what were critical services that must be provided at any given time. That was the basis for not being able to resolve the provision of those critically essential services being requested at that point.

MR. VICE-CHAIRMAN: A final supplementary?

MR. MUSGROVE: Yes, Mr. Chairman. The only supplementary I would ask now is that that letter be tabled at this time.

MR. KNIGHT: I have a copy here which can be received.

MR. VICE-CHAIRMAN: We will look after that in due course.

MR. JONSON: Mr. Chairman, given that any hospital is a pretty complex operation involving quite a few employee groups, could the representatives outline the disruptive effect of the tooling up and winding down of a hospital

during a pending strike situation, in addition to the obvious shut-down of services when the strike occurs?

MR. KNIGHT: I think I could describe that, as I'm the chief executive officer of the Calgary General hospital, which was a hospital affected by the strike. The time frame we had to prepare for the strike was approximately one week. It certainly appeared to us that the strike was imminent, even before the official notice of the strike was received. Under the labor Act, that's a 72-hour period at the present time. So working together, the hospitals in Calgary began to either shift patients out of hospital or those who were critically ill and had to remain in hospital were shifted to the Foothills hospital. The Calgary General and other hospitals that were going to be struck reduced their case load primarily to levels of patients that could be cared for by supervisory staff. In the case of the Calgary General hospital, that was a case load level of about 150 patients in a 900-bed hospital.

The strike proceeded. There were certain problems with some newborn babies that remained in hospital; however, those were overcome by transfer to another institution. After the strike was over, the nurses returned to work — en masse, I might say — the morning after the hon. Minister of Labour ordered them back to work. Getting the hospital back into full operation again took from seven to 10 days, by the time patients were readmitted, supplies were acquired, and we were back in operation.

So with a three-week strike, we had an effective disruption of services of about five to five and a half weeks.

MR. JONSON: A supplementary question, Mr. Chairman. In this process, are additional costs to the hospital involved in that transition — I suppose maybe savings. Are there additional costs?

MR. KNIGHT: Mr. Chairman, there are both additional costs and obviously savings, if you want to call them savings. There's certainly the cost of shutting down and reopening services. Those are very hard for us to really measure. Certainly there are savings in that if staff are on strike, they're not being paid. We ultimately had to give layoff notices to other staff, although a number of the present collective agreements require one- or two-week notices, so it was not a matter of quickly laying off people who were not required because other employees were on strike. I could not give you an estimate of what you might call savings, because I think one would have to look at the significant additional costs the hospitals that were not struck, such as the Foothills hospital, had to incur.

MR. R. SPEAKER: Mr. Chairman, to Mr. Knight. I see two major differences between your essential position designation and Bill 44, one in terms of the strike clause and, secondly, in terms of Bill 44 encompassing a larger group of employees. I see quite a change in the attitude of the AHA from '82 to '83. My question to you is, why the change in attitude? Secondly, are the regional directors who met on April 20, 1983, truly reflective of the general membership across the province?

MR. KNIGHT: There are approximately 150 institutional members of the association. The regional directors are elected from the eight regions of the province and represent those regions. They are not the table officers of the association, who are here today with the exception of the second vice-president. We are elected from the membership as a whole to represent the entire province.

Because of the belief that there was a shift occurring among some of the member hospitals — because I as president received calls from some member hospitals in regard to Bill 44 — I asked my regional directors, who were the people representing all those parts of the province, if they would undertake a poll as best they could, particularly of trustees, for the hospitals in their particular areas.

It's hard to say for what particular reason, sir, there may have been a change by some of the people. That's why I really have to use the term "a significant shift" in what we perceived to be their opinion. It was those regional directors' views that the membership would now support those provisions in Bill 44 dealing with no strike.

MR. R. SPEAKER: Mr. Chairman, to Mr. Knight. You didn't quite answer the question with regard to why the change in attitude. I'd add to that question: in terms of the significant shift, was that shift adequate enough to give total endorsement to Bill 44? In your presentation, you make no recommendations in terms of adjustment, change, or even compromise. You totally support Bill 44 as is. It's a little difficult for me to understand how, through a not quite totally adequate polling, I would say, you come up with a signficant shift that says total endorsation of Bill 44. Can you assure me as a member of this Legislature that your membership wants that kind of endorsation? Is that what you're really saying to us here in this Legislature today?

MR. KNIGHT: Mr. Chairman, as I said, there are about 150 members. I can't indicate what would have precipitated a change in view, if a change in view occurred with all 150. Obviously some had no change of view at all. They were probably supportive of Resolution 9 in the first place, which was defeated. However, the regional directors did believe there was such a change. It is in fact difficult, if not impossible, to indicate the reasons any one hospital or any grouping of hospitals might have felt differently today than they did five months ago.

MR. R. SPEAKER: Mr. Chairman, to Mr. Knight. Can you indicate whether your position has been influenced by any government official or any minister present or not present here in the Legislature at the present time? Or was this decision arrived at solely by your regional directors and your board?

MR. KNIGHT: The decision was arrived at solely by the regional directors and the board.

MRS. EMBURY: Mr. Chairman, my question is to Mr. Knight. From constituents, I understand there are a lot of issues that cannot always be resolved in collective bargaining. It seems to me it's more a question of communication between staff and management in a hospital. I wonder if you can indicate to the members in the Assembly if you have undertaken any initiatives to improve employee/employer relationships?

MR. KNIGHT: Mr. Chairman, the Hospital Association has undertaken a number of initiatives. Through our educational programs, we have been stressing middle-management education, which we felt was identified in the nursing study we conducted the year before as being one of the weaker areas in employee/employer relations in the work place and in the actual nursing units where the nurses were employed. It's our hope that through

making those programs available to the hospital, we will have more skilled middle managers and first-line managers who will react more positively to the problems encountered in that particular area within the hospital.

MR. NOTLEY: Mr. Chairman, dealing with the change from the essential position designation to one of essentially supporting Bill 44, would it be fair to say, Mr. Knight, that you would still prefer the essential position designation approach and that what in fact happened is that the board of directors simply recognized the inevitable, with 75 members of one political party who have announced support for Bill 44, and that it is essentially a rationalization of the inevitable rather than a preference?

MR. KNIGHT: I asked my regional directors to contact as many of the individual hospitals as they could, to determine the views of those hospitals. I'm not aware of any activity on behalf of the 75 members of government, as you referenced, although I'm sure that many hospital boards may have had communication. Maybe hospital boards in your constituency had communication with you.

[The bell sounded]

MR. NOTLEY: Saved by the bell.

AN HON. MEMBER: Who was saved?

MR. VICE-CHAIRMAN: I would like to thank the members from the Alberta Hospital Association for their representation today. We appreciate your remarks very much.

[The committee adjourned at 3:12 p.m. and resumed at 3:17 p.m.]

Canadian Union of Public Employees

MR. VICE-CHAIRMAN: Could we call the committee members to order, please.

For this segment of the public hearings, we have before us the Canadian Union of Public Employees. The representation will be made by Mr. Ron Matthews, the president of the Alberta division of CUPE, Mr. R. Sykes, the assistant director of research, and Mr. Harley Horne, the regional director of the Alberta division of CUPE.

Gentlemen, at the outset I just remind you that you have 40 minutes to make your representation. You may utilize the 40 minutes in any way you deem effective. A bell will ring when five minutes remain. Please proceed.

MR. MATTHEWS: First of all, I would like to make it quite clear that the Canadian Union of Public Employees, Alberta division, is totally opposed to Bill 44. Secondly, with due respect to the Legislature, I as a worker and taxpayer in this province feel that with Bill 44 I will be treated much worse than we were as prisoners of war in the Second World War. With that point, I would like to turn this over to Randy to read the brief.

MR. SYKES: Thank you, brother Matthews.

As you can see, we have quite an extensive presentation before you today. Unfortunately the guillotine is going to be dropped after 40 minutes, so I'm not going to be able to read the entire presentation. However, I know you will all read it with great interest. I would like to read several sections of the brief. I apologize if it makes it somewhat difficult for you to follow along, because I'm going to have to skip some major sections.

The Canadian Union of Public Employees represents approximately 25,000 Albertans. They are employed throughout the public sector in municipal government, boards of education, general hospitals, auxiliary hospitals, nursing homes, senior citizens' lodges, health units, libraries, colleges, and day care centres. Simply put, these 25,000 working people are vital to the continued functioning of public services in Alberta and play a major role in the maintenance and furtherance of the quality of life enjoyed by all Albertans.

While all CUPE members and their families are concerned about the effects of Bill 44, it is of course of most direct concern to our 6,500 members who work in general and auxiliary hospitals. CUPE represents the employees of approximately 72 hospitals located in all areas of the province, from Grande Prairie and Fort McMurray in the north to Medicine Hat and Crowsnest Pass in the south. Over 100 different classifications of employees are included in our bargaining units. They work in virtually all departments of the hospitals: nursing, dietary, housekeeping, laundry, maintenance, emergency, stores, accounting, administration, and so on.

While CUPE is concerned about the entire contents of the Bill, we intend to limit our submissions here to the part which has a critical impact on our hospital membership, and that's known as Division 1.1 of the Bill. Our concerns regarding other aspects of the Bill are covered in the submission of the Alberta Federation of Labour, a position we fully endorse.

Before commenting on the substance of the Bill itself, we must express our deep concern over the way such an important change in labor relations in this province has been introduced. This Bill deprives 6,500 CUPE hospital employees, as well as thousands represented by other unions, of the right to withdraw their labor, a right which in our view is one of the very cornerstones of a free and democratic society. The Bill will change the entire nature of labor relations within the hospital industry. It could have a very substantial effect on one of the largest components of the provincial budget. It will have a direct impact on the morale and productivity of the hospital work force. It will add further serious strains to the already poor relations between the labor movement and the Alberta government.

Given the clear and serious ramifications of such a Bill, it strikes us as simply incredible that this government can attempt to ram it through the Legislature without proper public debate and assessment. The speed with which this Bill is being forced upon us is completely out of proportion to the situation it is addressing. It is clearly being handled as if we were in the midst of a crisis. But where is the crisis? Obviously none exists.

Bill 44 was introduced in the Legislature on April 11. Groups affected were given exactly 11 days, until April 22, to present 100 copies of their written submissions to the Standing Committee on Public Affairs. A grand total of 14 hours was set aside for public hearings before the committee, with each group limited to a presentation of 40 minutes, including questions and answers. We ask, is this democracy? Is this fairness? Is it democratic and fair to take away the fundamental rights of working people in the most arbitrary way and give them 40 minutes to reply? We suspect that if it were the business community which was being deprived of their rights, the process would not be quite so arrogant and abrupt.

Normally, in most legislatures, a Bill such as this would not even be introduced until a thorough and independent study was made. For example, in 1965 the government of Ontario did not simply ram a compulsory arbitration Bill through the Legislature, even though they could have done so. Instead, the government appointed a royal commission, chaired by Judge Bennett, to conduct a thorough examination and make recommendations. In the end, the government chose to largely ignore the commission's recommendations against compulsory arbitration, but at least they did seek an independent review and allowed all affected parties full opportunity to present their cases.

Why did the Alberta government not commission an independent review of hospital labor relations prior to the introduction of such a destructive Bill? We can only suspect that the government was simply afraid of what an independent body would recommend. The case against compulsory arbitration is so strong that it is a near certainty that it would have been rejected in such a review. As our first submission, we therefore charge that the process by which Bill 44 is being enacted into law is unfair, inappropriate, and totally unwarranted by any existing circumstances.

As stated above, the introduction of compulsory arbitration is completely unwarranted. We are quite simply shocked by the Bill, since we can discern absolutely no rationale for its introduction at this time. First, introduction of compulsory arbitration negates free collective bargaining in the hospital sector. It is the ultimate distortion of a key free-market process. As such, it is extremely hard to square with this government's avowed hands off the market place ideology. Apparently the ideology means hands off when it suits the business community but hands on when it comes to taking away the rights of working people.

It would be somewhat easier to understand, although not to endorse, this Bill if the province had just been beset with a series of major strikes such as those which occurred recently in Quebec. However, in Alberta the legislation has literally come out of the blue. There have been no hospital strikes for some time now. Indeed, the last and only major strike by CUPE was in 1978, and even that was of a relatively short duration. Granted, the United Nurses of Alberta has had two significant disputes in recent years. However, these disputes proved that Bill 44 is not necessary, as the government exercised its power under existing legislation to order an end to the strike.

In his press release of April 11, the Minister of Labour is quoted as saying:

> On two separate occasions during the last three years, we have witnessed distressing interruptions and delays in these services, which have caused hardship for individuals requiring hospital care.

Where is the evidence of the hardship caused? Have there been significant cases of adverse effects on the health and safety of individuals? Would the minister be prepared to present such evidence to independent review? Certainly hospital strikes cause distressing interruptions and delays; so do virtually all strikes and lockouts. Does the government intend to ban every strike or lockout which inconveniences the public?

What we have here in Bill 44 is a classic knee-jerk response. The minister would have us believe that he has just reinvented the wheel, that compulsory arbitration is somehow a magic resolution to the very complex problem of labor relations in essential industries. Clearly it is not, and the minister surely knows it. The problems of maintenance of essential services and the reconciliation of free collective bargaining with public health and safety have been debated by scholars and practitioners for decades. The result of such debates has nearly always been a rejection of compulsory arbitration as unnecessary and in fact counterproductive. As has been shown in most jurisdictions throughout Canada and the world, public health and safety can be adequately protected without resorting to the unfairness and distortions of a compulsory arbitration regime.

According to the minister's press release, there are two stated rationales for the Bill. The first is the prevention of strikes and their accompanying distress. The second is the need for new criteria to ensure "fairness and equity" in the determination of wages and benefits under compulsory arbitration. We suspect that the latter is the real motivation behind Bill 44.

There is a widely perceived myth, perpetuated by some provincial governments, that health care budgets are rising at alarming rates and that a major cause has been the increasing wage rates of health care employees. Although it is rarely stated, somehow there is an implication that hospital workers are able to exercise undue economic power because they are providing a so-called essential service. We intend to show the committee that such an implication is absolutely false. On the contrary, the wages and wage increases of CUPE hospital workers have been moderate in the past and not at all out of line with those granted to the Alberta work force as a whole.

Perhaps the best assessment of the fairness of CUPE hospital workers' wage increases is a comparison with increases in the average weekly earnings of the industrial composite for Alberta. This is a measure produced monthly by Statistics Canada, and it indicates the average weekly earnings for a broad-based group of approximately 440,000 Alberta wage earners. It is thus a highly representative indicator of wage movements in the province.

Over the five-year period from 1978 to the present, 1983, the average weekly earnings, industrial composite, increased from $268.03 to $446.57 per week or, in hourly terms, from $6.70 to $11.16 per hour. This is an increase of 66.6 per cent. Over the same five-year period, from March '78 till last month, March '83, the average rate for CUPE hospital workers increased from $5.31 to $8.87 per hour, an increase of 67 per cent. The two figures are, for all intents and purposes, identical. What better indicator can there be of the parallel movement of hospital wage rates with provincial rates in general? It is a graphic demonstration that free collective bargaining has worked to produce a fair result.

While wage increases for Alberta hospital workers have been fair for the past several years, actual wage rates remain very low, due to the poor base on which the increases have been applied. The table on the following page shows that rates in Alberta are actually the worst in the country, on a relative basis. The only fair method of interprovincial wage comparison is one which relates the hospital wage rates to the average industrial composite wage rate in the same province. As our table indicates, the basic aide rate in Alberta, on an absolute basis, is fourth highest among the provinces — a poor enough result, considering Alberta's relative prosperity. However, when a comparison of relative rates is made, the Alberta rate turns out to be the lowest of the 10 provinces. The Alberta base rate is only 69.8 of the industrial composite for Alberta. The average of the other nine provinces is 78 per cent. To raise Alberta to the average of the other nine

would require wage increases of $36.38 per week, or nearly $1 per hour. On the basis of this comparison, it is clear that Alberta hospital workers, who have had the right of free collective bargaining, have done relatively more poorly than their counterparts in Ontario and Prince Edward Island, who have been subject to compulsory arbitration.

What does it really mean when the minister states that compulsory arbitration criteria will help ensure fairness and equity? If he means that it will bring hospital workers up to the standard to which they belong, then compulsory arbitration is not necessary. The government, as hospital paymaster, could have implemented upward adjustments through free collective bargaining at any time. No, when the minister talks about fairness and equity, he hopes that the wage rates will be held back through arbitration. If that is indeed the case, he will draw small comfort from an examination of the wage comparisons we have put forward in these submissions. If there is any fairness and equity involved in compulsory arbitration, and if arbitrators make their awards on facts and evidence rather than political dictates, it should mean significant economic gains for CUPE hospital workers.

In our view, there is every likelihood that the Bill will not accomplish either of the government's aims. Experience teaches us that compulsory arbitration does not prevent strikes from occurring, nor does it necessarily function as a means for holding down increases in wages and labor costs. What it will certainly accomplish is a vast and unnecessary disruption in labor relations and a high degree of frustration and dissatisfaction among employees, unions, and probably hospital managements as well. It is simply an ill-considered move, in which long-term disaster is apparently traded for immediate political expediency.

The next several pages of our brief try to set out some of the pros and cons of compulsory arbitration. We have made several points with respect to the position management groups have taken in other areas with respect to compulsory arbitration, and show that many management groups — maybe even most management groups — are fundamentally opposed to compulsory arbitration as a means of resolving labor disputes. I think that was borne out to some degree by the previous presentation, which we heard in the gallery, of our counterparts on the other side of the table, the Alberta Hospital Association. It is somewhat unfortunate that they changed their minds, we find, but who are we to criticize them for looking a gift horse in the mouth?

In fact, many governments have expressed themselves as opposed to compulsory arbitration. When Mr. Justice Hall was reviewing the question of fee schedule disputes for physicians, the majority of the provincial governments expressed their outright opposition to compulsory arbitration for physicians' fee schedules.

In principle, we as unionists have many serious objections to compulsory arbitration. First, we regard free collective bargaining and the right to strike as fundamental rights. In a very real sense, the right to withdraw one's labor is the essence of the difference between freedom and serfdom. However, we recognize that there are situations where the right to strike must give way to the safety and health of the public. But that giving way must only be done on an *ad hoc* basis in the clearest of cases, where there is clear and present danger to individual lives. It must not be done in a capricious or arbitrary manner, as has been done in the case of Bill 44. The government of Alberta or any other legislature does not need a Bill 44 to protect the public. It already has all the powers it needs. In the case of Alberta, this is even more clear than in several other provinces. In Alberta the cabinet has the power to end strikes, whereas in some other provinces it takes a special Act of the Legislature.

There have been hundreds of hospital strikes in Canada. There are very few documented cases of serious hardship to patients, let alone threat to life or limb. The most serious hardship in a struck hospital is that faced by hospital administrators and supervisors who may have to get their hands dirty learning what it's actually like to work in the hot, steamy basement of a hospital rather than in their comfortable offices.

To assert that compulsory arbitration is necessary to protect public health and safety is simply untrue and inconsistent with the entire Canadian experience. It is a misconception, and it is misleading to promote the concept among the public that compulsory arbitration will prevent strikes. You are doing the public a disservice by leading them to believe that.

The union does not oppose compulsory arbitration out of fear of its economic impact. As we stated earlier, there is little evidence to suggest that in terms of wages, hospital workers do better or worse under arbitration than they do under free collective bargaining. Indeed, it's often said that wage increases are about the only thing arbitration can properly deal with.

The main reason we are opposed to compulsory arbitration is that it will result in nothing less than the complete destruction of collective bargaining in the hospital sector. It has happened in Ontario; it will happen here in Alberta as well. The chilling and narcotic effects of compulsory arbitration on negotiations are well defined in the literature. We know them from our own long experience, particularly under the Hospital Labour Disputes Arbitration Act in Ontario. Both the chilling effect and the narcotic effect refer to the process whereby the parties will inevitably tend to rely more and more on arbitration to settle their disputes and, in order to present extreme proposals to the arbitrator, will refrain from making compromises. Negotiations simply become a necessary prelude to get over with quickly in order to get the dispute in front of an arbitrator. No real effort is sought to reach agreement, because there is no pressure on either side to settle. No costs are involved; no threat of disruption of operations or pay.

In Ontario hospitals, the only negotiations which take place amount to nothing more than jockeying for position. This is true for all groups in recent years — service workers, nurses, and technologists. Serious concerns are simply not dealt with at the bargaining table. This is particularly frustrating for the union, but management is increasingly feeling the same way.

For example, the union has been trying for years to gain contract provisions which give workers some degree of input to their own workloads. The hospitals simply will not deal with this issue at all. The union has had no recourse but to submit all the proposals, in their original form, to the arbitrator.

A similar situation has characterized our attempts to win reclassifications for certain categories, which is always an important issue, as well as achieving wage adjustments for particular groups, usually where sex discrimination is a factor. Arbitrators have proven extremely reluctant to deal with these issues, and understandably so. They are very complex, and it is virtually impossible to present the arbitrator with the amount or the type of evidence needed to make him feel comfortable in award-

ing what he sees as a major intrusion on the employer's operations or rights. Often this type of evidence is difficult or impossible for the union to obtain, as it involves records kept only by the employer and not divulged to the union.

In the same way the hospitals are frustrated because, fortunately from our point of view, arbitrators have, with virtually no exceptions, refused to award any diminution or take-away of established union rights or benefits.

The vast difference between real negotiations under free collective bargaining and the sham negotiations which take place under a compulsory arbitration regime are readily apparent to anyone who has participated in both processes. Under free collective bargaining, where the strike or lockout threat is real, everything is negotiable. All issues must be taken seriously by both sides. Neither side can rely on the inherent conservatism of an arbitrator to preserve the status quo.

The determining factor under free collective bargaining is not whether a proposal from either side is so-called rational or fair; it is whether or not the party proposing it feels strongly enough to risk and perhaps endure a strike or lockout over it.

Many issues which would easily be resolved under free collective bargaining wind up on the arbitrator's plate under compulsory arbitration. There's simply no incentive under the latter to withdraw any of your proposals, or to work to achieve compromises. As a result, arbitrators are regularly dismayed at the volume of issues placed before them. In many cases, several of these issues are of little significance and often have received only perfunctory, if any, discussion at the bargaining table.

Another key difficulty for arbitrators is that they have very little way of knowing the priority each side puts on its various demands. Understandably, the parties are reluctant to label or rate their proposals for the arbitrator. You're not going to put labels on them like "crucial", "important", "so-so", or "throw-away". While in some cases it's obvious which proposals are serious and which are smoke, it can be a real concern, particularly for inexperienced arbitrators. It is theoretically the role of the board sidemen to help priorize the issues for the chairman, but in practice sometimes this does not work.

Finally, arbitrators do have a tendency to keep a box score and to split the difference. Clearly it's the safest method, if not always the most appropriate. However, it leads again to the refusal to compromise during negotiations, to hold on to extreme positions in the hope that the compromise will be weighted in your favor. Even where the arbitrators seriously attempt to avoid splitting the difference, the tendency is always there to stay well away from awarding provisions too close to either of the parties' positions. Indeed, many times the union has felt it necessary to argue positions it is clearly uncomfortable with, because we know that if we asked for exactly what was called for in the circumstances, it's highly unlikely we would get it.

Most arbitrators and scholars express either outright opposition to compulsory arbitration or at least strong reservations about it. One of the harshest but most accurate criticisms of compulsory arbitration was delivered by Professor Kenneth Swan of Queen's University, one of the most active and respected of our arbitrators. In his award in a grievance arbitration arising out of the 1981 CUPE hospital strike in Ontario, Professor Swan condemned the arbitration process and held it at least partially responsible for the illegal strike.

> The Union argues that this factor should mitigate the culpability of local officers, and further advances the argument that the strike constitutes a form of civil disobedience. One can sympathize, in passing, with the Union's frustration over the compulsory arbitration regime in effect in the hospital sector in Ontario. It is, in its present form, a patently absurd way to regulate labor relations in the industry, a view I hold the more firmly from direct experience as an arbitrator under the legislation. I know of no one who defends it on principle, and most of the dwindling number of arbitrators who still accept appointments do so out of a despairing sense of public duty.

Professor Bryan Downie of the school of business at Queen's University has conducted extensive studies of the impact of interest arbitration. In a 1979 paper for the Economic Council of Canada, he stated:

> Compulsory arbitration, of course, has its defenders but, overall, in North America the opinion has been that allowing an outside party to determine the terms of a collective agreement will distort outcomes, destroy collective bargaining, harm labour-management relations, and force unions to exert political presssure and undertake illegal activity.

We've produced on the next several pages a very long quote from a book called *Reconcilable Differences* by Paul Weiler, whom I'm sure you're familiar with as one of the noted labor relations experts. I haven't got time to read this four-page quote, but it really summarizes the difficulties inherent in a compulsory arbitration system and clearly indicates that the kind of rationality supposedly on the surface in an arbitration system is sheer illusion.

I would like to talk for a moment about the situation in other provinces. At the present time, the only provinces which prohibit strikes by hospital employees are Ontario and Prince Edward Island. Quebec had a ban on strikes but lifted it in the late 1960s. Saskatchewan and Newfoundland also prohibited strikes for a short period, but the right to strike was restored in 1971 in Saskatchewan and in 1973 in Newfoundland.

The clear lesson to be learned from the experience of other provinces is that the existence of the right to strike does not mean there will actually be strikes, nor does the absence of such a right guarantee there will be no strikes. For example, although hospital workers in New Brunswick have always had the right to strike, there has never actually been a strike. Saskatchewan, which has the least restrictive labor legislation in Canada, has had only one support staff strike since the right to strike was restored in 1971. Most other provinces have had only one or two major strikes by CUPE or equivalent bargaining units.

However, in Ontario, which has had compulsory arbitration legislation since 1965, there have been numerous strikes and an even greater number of strike threats and votes. For example, the employees at Toronto Western hospital struck for 15 days in 1972 in a bitter dispute which resulted in the union being broken and most of the employees being fired. Just two years later, in 1974, a strike between CUPE and 11 metro Toronto hospitals was narrowly averted with an eleventh hour settlement after direct ministerial intervention. In the same year, the members of the Service Employees' International Union Local 220, employed in hospitals in Simcoe, Woodstock, and Kitchener, struck for up to 10 days. The president of the union was subsequently charged for counselling defiance of the Act.

Then there was the major confrontation of 1981, the culmination of 16 years of frustration with compulsory

arbitration. Some 12,500 CUPE members struck in 51 hospitals. The strike, which lasted up to 10 days in some areas, was eventually ended by court injunctions and threats to individual workers on the picket lines. CUPE hospital workers and their leaders faced the following penalties: three CUPE officers and staff were imprisoned, 22 members were charged by the Attorney General, 36 members were discharged, 3,442 members received suspensions totalling 8,646 days, and 5,582 members received disciplinary letters. In many hospitals, local unions and managements are still picking up the pieces. In some hospitals, the arbitrary and vicious employer reprisals created wounds which may never heal.

In contrast, about six months prior to the CUPE strike in Ontario, CUPE employees of approximately 40 Manitoba hospitals took strike action. That strike, fully legal under Manitoba legislation and with a Conservative government in power, lasted up to 18 days in some of the facilities. It ended with a hard-fought, negotiated settlement which was acceptable to both sides. No worker was disciplined, no worker was discharged, and no union official or staff member was jailed. Both the employer and the employees were relieved to have a settlement, were committed to it because they had negotiated it themselves, and were able to restore fully amicable relations in fairly short order. The contrast between these two provinces is vivid. Which example would Alberta prefer to follow?

If Bill 44 is enacted, Alberta hospital workers, like their Ontario counterparts, will find it difficult to understand why they have been deprived of such a key right enjoyed by hospital workers in all but two other provinces. How are these workers supposed to respect the law, which in this case makes no sense and applies in such a haphazard manner? Somehow it does not accord with our sense of justice or human rights in Canada to have a situation where a hospital worker in Lloydminster, Alberta, can be jailed for doing exactly the same thing that his counterpart a few blocks away in Lloydminster, Saskatchewan, has the legal right to do.

In the following pages, we have presented a number of criticisms of specific provisions of Division 1.1, in particular some criticisms of what we call the utterly absurd criteria that are laid down in the Act. However, because we have submitted criticisms of particular provisions, we want to emphasize that in no way does this give any indication that any amendments to this legislation would make it acceptable to this union. There's only one thing that could make this acceptable to the union, and that's having it withdrawn. No amendments would make it acceptable.

The Alberta government, through this arrogant and ill-conceived Bill, will destroy collective bargaining in the hospital sector in this province. Of this there can be no doubt or debate. Experience has clearly shown that free collective bargaining and compulsory arbitration simply cannot co-exist.

The destruction of collective bargaining in hospitals should not be a cause of mourning solely by unions. All Albertans should be concerned. They should be concerned because legislation like Bill 44 is increasingly attacking and removing fundamental human rights in many parts of the country. They should be concerned because the loss of collective bargaining in the hospital sector will invariably lead to increased tension and frustration, poor morale, lower productivity, and a decline in the quality of patient care.

This Bill confirms that the Alberta government is intent on marching backwards in terms of social policy in this province. Last month they instituted a major attack on health care with the introduction of hospital user fees and the severe increase in medicare premiums. This month they destroy collective bargaining in the hospital sector and apply further restrictions on the whole labor movement.

The most unfortunate aspect of Division 1.1 of Bill 44 is that in the long run it's in nobody's best interests. The government appears to operate under the illusion that it will be good for the public and for hospital managements in terms of no strikes or disruptions, and for themselves in terms of tighter fiscal control. If the unions and the workers don't like it, too bad. But as we've tried to demonstrate, these supposed benefits of compulsory arbitration are theory only. In actual practice, the effects of compulsory arbitration are invariably negative for all parties concerned. This has been proved time and time again. There is no need to prove it all over again in Alberta. Indeed, within the last few months CUPE has been presented with briefs from hospital managements in both Ontario and Prince Edward Island, the two provinces where compulsory arbitration exists, asking for the repeal of compulsory arbitration legislation and restoration of the right to strike by some hospital managements.

In 1968 the task force on labor relations, composed of four of the most respected labor relations practitioners of our time — Dean Woods, Professor Crispo, Dean Carrothers, and Father Dion — concluded:

> Collective bargaining is the mechanism through which labour and management seek to accommodate their differences, frequently without strife, sometimes through it, and occasionally without success. As imperfect an instrument as it may be, there is no viable substitute in a free society.

Does this government really believe that, unlike these highly-respected experts, they have found such a substitute?

Labor minister Young was quoted by the Canadian Press as saying that "he hopes unions will not fight Bill 44". It is a vain hope. CUPE will fight Bill 44 before, during, and after its enactment, and will continue to fight it until it's removed from the statute books. We will never acquiesce to compulsory arbitration in any form.

If this government really is confident that Bill 44 will do all the things Mr. Young attributes to it, then we challenge them to put the Bill to real public scrutiny and debate. We challenge them to appoint an independent, highly-respected commission of inquiry to fully study the question of compulsory arbitration. They should give such a commission the opportunity to receive the full and extensive input of all concerned, as opposed to the 14-hour rush of this Standing Committee on Public Affairs. We are confident that fully independent, respected commissioners would reject compulsory arbitration. We are ready to place our case before such a review. Is this government courageous enough to take up our challenge?

Thank you.

MR. VICE-CHAIRMAN: Thank you. The Chair now opens the meeting to questions for clarification.

MRS. FYFE: Mr. Chairman, I would like to refer to page 19 of your brief, where you say:

> The most serious hardship in a struck hospital is that faced by hospital administrators and supervisors who may have to get their hands dirty learning what it is actually like to work in the hot, steamy basement of

a hospital rather than in their comfortable offices.

During the last two nursing strikes, I had a number of representations from very distressed constituents who were faced with removing a family member from hospital during the gearing-down period before the actual strike commenced. These patients were not necessarily critical or emergent but were deemed by medical authorities to require hospital care. The families and the patients felt great anxiety about being moved either to a home or to another facility. Do your members honestly believe that the hardship is on the administrators and supervisors and not on the patients?

MR. HORNE: Basically, the situation involves a different issue than that. The issue is that it involves a hardship on anybody when there's a strike, and it says so in the brief. In all instances, it involves some hardships on everybody. However, with reasonable collective bargaining and a reasonable attitude towards collective bargaining, the strikes need never have happened, and eventually settlements were brought about. The deprival of the right to strike does not necessarily mean people will not withdraw their services either, because in desperation, after a period of time when that right is removed, it will happen.

Hardships on people? Yes. Who causes it? The worker who's working at the poverty line in a hospital? No, it's the employer who will not legitimately negotiate.

MRS. FYFE: A supplementary question, Mr. Chairman. Another serious concern I have resulted from the last two hospital stoppages where I had direct involvement. I received calls from a number of persons during that period who advised me that a family member had been diagnosed with a very serious illness in which time was a critical factor in treatment. In all situations, time was the most critical factor both in the gearing-down process and during the strike. This could affect the final treatment of the patient. What do you feel is the responsibility of the health care system to provide continuing health services to Albertans as a whole?

MR. SYKES: As Mr. Horne said, the question is really a moot one. Obviously the health service is going to provide emergency services and necessary care to the people. The question in this Bill is not that at all. The question in this Bill is, how is that accomplished? This Bill is attempting to provide that through a piece of legislation which makes strikes illegal. That will do no more to ensure the kind of services you wish and we wish to provide to patients than the present situation.

The debate here is not essential services for workers. The debate is the destruction of free collective bargaining for hospital workers. If you wish to attack essential services, that could be done in a way which does not involve this type of legislation. Other provinces are doing it and have done it without the need to resort to this kind of legislation.

MR. GOGO: Mr. Matthews, in reference to page 18 in your brief:

> First, we do indeed regard free collective bargaining and the right to strike as "fundamental rights".

My question relates to what rights the patients might have in the hospital. Again, from page 18:

> We do, however, recognize that there are situations where the right to strike must give way to the safety and health of the public. But that "giving way" must only be done on an ad hoc basis in the clearest of cases, where there is "clear and present danger" to individual lives.

That prompts me to ask the question: who would decide, and on what basis, when there is a clear and present danger to individual lives?

MR. MATTHEWS: I think I can answer that quite clearly. The fact is that when you're negotiating under collective bargaining, which we do right now, both parties sit down and do it honestly. You can come up with an agreement, and then you'd never run into the situation.

MR. VICE-CHAIRMAN: Members of the committee, that ends this segment of the representation. We thank the representatives from the Canadian Union of Public Employees for their presentation this afternoon.

[The committee adjourned at 4 p.m. and resumed at 4:05 p.m.]

University of Alberta Non-academic Staff Association

MR. CHAIRMAN: I call the committee meeting to order, please.

On behalf of the committee, I would like to welcome to this segment of the hearings the University of Alberta Non-academic Staff Association, with Mildred Richardson, president; Mr. George Walker; and Mr. Keith Philip.

I would like to remind you that you have 40 minutes to make your presentation. At the 35-minute mark, a bell will ring briefly. At the 40-minute mark, the bell will signify the end of the presentation.

With that, we would like you to proceed with your presentation. Welcome to the committee hearings.

MS RICHARDSON: Good afternoon. My name is Mildred Richardson. I'm the president of the University of Alberta Non-academic Staff Association. We commonly refer to ourselves as NASA. With me today are George Walker, manager of the union who, a little later in our presentation, will elaborate on some of the points in our written submission, and Keith Philip, our research officer.

In our submission, which no doubt you have had an opportunity to read at length, we have outlined what our members do, and have given you some of the history of our union. I would simply like to indicate again, for the committee's benefit, that we are an independent union, not affiliated with any other union, and are the bargaining agent for the approximately 3,600 support staff employed by the University of Alberta.

NASA represents a substantial majority of university support staff in the province of Alberta. Unfortunately we fall under the jurisdiction of the Public Service Employee Relations Act, thus our interest in the Labour Statutes Amendment Act. In our submission to the standing committee, we chose not to deal with the many amendments to Acts other than the Public Service Employee Relations Act, because the other Acts affected by the legislation do not impinge directly on the members we represent. NASA believes that the unions which represent the employees covered by the other Acts can best speak for their own members, as we can best speak for ours. Management in all jurisdictions was obviously heard by the government long before the Labour Statutes Amendment Act was introduced 17 days ago.

In our submission, we also chose not to deal in detail

with amendments to the Public Service Employee Relations Act other than those which would involve exclusion of our members from the bargaining process and changes to the arbitration process. We took that position for the same reason we did not propose detailed changes to attempt to improve bargaining rights under the Public Service Employee Relations Act, because we firmly believe that the government has already made up its mind about what change it will make to the Act and that the Legislature as a whole will have little, if any, impact, except perhaps to alter some of the details.

I would like to state emphatically that we see the amendments proposed by the government as nothing more than a helping hand to the employer in negotiations, and we reject them all. NASA has no illusions that there will be any ground swell of public opinion which will assist us in making our points. Contrary to the expressed view of the government that there is a public outcry against public-sector arbitration procedures, we know from experience with our own members that this subject will more likely put them to sleep than arouse their passions.

In the past, NASA has made several suggestions to the government for changes to our bargaining legislation, all of which were ignored. We concluded some years ago that the government felt the legislation to be working in its favor, and that it would not entertain changes until it felt itself adversely affected as an employer. We feared that when changes came, they would not favor employees, and we were not wrong. Because we see it as futile to fight the government on the amendments it wants, even though we believe the government is misguided in its approach, we have chosen instead the route of proposing what we believe would be a workable alternative to the Public Service Employee Relations Act for the employees of the University of Alberta, one which would enhance rather than diminish the chances of improving labor relations.

We have suggested, as a basic premise of our submission, that institutes of advanced education, particularly the universities, are significantly different from other elements of the so-called public sector. In fact, as we point out, they are so different that the government has already seen fit to provide distinctive broadening legislation for the academic staff of the universities under the Universities Act. We are simply asking that we be treated similarly to the academic staff in terms of bargaining rights. We do not want preferential treatment, but we do want to operate in a collective bargaining environment which we feel would be less conducive to confrontation and would operate toward the greater benefit of our members and the University of Alberta. Regrettably, we have no confidence that you will act on our suggestions.

To demonstrate that we do speak for our members, NASA took its submission to a meeting of our general membership on April 20, and the recommendations were unanimously endorsed. In addition, over the course of two days last week, we obtained the signatures of over 1,100 of our members in support of our recommendations.

Thank you.

MR. WALKER: Good afternoon, ladies and gentlemen — I guess there are enough ladies present to make it ladies. I would like to highlight some of the points we have made in our submission, and also elaborate somewhat on the alternative to the Public Service Employee Relations Act that we are suggesting to you. It is NASA's general submission that the government gave little or no thought to employees of the University of Alberta when it introduced the Public Service Employee Relations Act in 1977, that the University of Alberta does not fit the collective bargaining model set out in that Act, and that imposition of that model on non-academic staff of the University of Alberta has led to inequities, compared to academic staff, and to an increasingly adversarial approach by parties in negotiations and day-to-day staff relations.

The University of Alberta is not like other public-sector employers, and the university support staff do not see themselves as part of the public sector. The Public Service Employee Relations Act imposes a standard union model on the employees within its jurisdiction and then imposes the extreme frustration of denying to those employees the right to strike. There's nothing wrong with a standard union model with the right to strike, except that our members do not feel that is right for them.

The Public Service Employee Relations Act tells employees of the University of Alberta what kind of bargaining agent they must belong to, and in particular tells them that their agent must be divorced from any identity with their employer. The whole concept of a proper trade union embodied in the Act is that of an organization set to fight tooth and nail any action of the employer. On pages 4 and 5 of our written submission, we have indicated the reaction of the university to our becoming certified under the Act. Although that reaction has made life extremely difficult for those of us involved in NASA since 1977, the horrified reaction of the board of governors was not altogether incomprehensible. They perceived that somehow we would become changed because of the Public Service Employee Relations Act.

As we noted earlier, the university is not like other public-sector employers. It operates on a system of governance under which, by and large, a consensus of the various component groups is arrived at before significant decisions are taken. In theory, under the Universities Act, the board of governors could impose its will on the university community by fiat. In practice, the governors do not do that except in matters concerning support staff.

The Public Service Employee Relations Act singles out support staff and sets them apart from the university community. This is not a healthy state of affairs and, left alone, the situation will continue to deteriorate until our members reach the state where, regardless of the punitive measures set forth in some Act of the Alberta Legislature, their identification as an integral part of the university will have diminished to such an extent that they will feel the need to engage in a strike. When that day arrives, no legislated prohibition will stop them.

Does the university share our view that non-academic employees should be more closely identified with the university community through incorporation of bargaining rights under the Universities Act? We don't know for certain. NASA did call on the university community to speak out on this issue — by that I mean the whole issue of the amendments to the bargaining legislation being put forward by the government — but as far as we know, the result was a resounding silence. We do know that the position of the president of the University of Alberta is that members of NASA who serve on committees of the university should view themselves as "university people". We suggest that will be possible only when they are treated as university people in their relations with their employer.

The Public Service Employee Relations Act has further

systemic defects which exacerbate the relationship between our members and their employer. The university wants its [employees] to consider its ability to pay in negotiations. Obviously the other side of that coin is the question of layoffs if NASA were to obtain a settlement which is too large. However, the Act prohibits any meaningful negotiations about numbers of employees, transfers, appointments, and so on. It is absolutely stupid for the government of Alberta to expect any union to be prepared to seriously consider ability-to-pay arguments if that union cannot meaningfully negotiate job security provisions. What union would agree in advance to a reduced salary settlement to prevent layoffs if the employer, following such an agreement, could simply turn around and lay off the employees anyway?

The kinds of limitations imposed by the Public Service Employee Relations Act, in our submission, seriously inhibit any meaningful negotiations about matters like ability to pay. And further limiting the arbitration process by introducing this factor in the guise of government fiscal policy will not make the situation any better. Other conditions of employment excluded from the present arbitration process include matters such as classification, promotions, and appointments. These are all subjects covered by the Public Service Act, an Act not applicable to the University of Alberta, and substantial rights thereunder are given to direct employees of the government. This sets up a further impediment to a meaningful bargaining relationship. We can neither negotiate rights in this area nor lobby the Legislature for improvements. The irony is that the university might be quite content to negotiate in the areas prohibited by the Public Service Employee Relations Act. Their real concern, as we perceive it, is with the bottom line effect of negotiations on their operating budget, not on management rights *per se.*

The issue related to proposals to expand the reasons for which persons can be excluded from collective bargaining under the Public Service Employee Relations Act deserves attention on its own. This issue most clearly demonstrates how the government bastardized the Labour Relations Act when it developed the Public Service Employee Relations Act, and how poorly that Act fits the University of Alberta situation. The principle behind the concept of exclusion from the bargaining unit is essentially that of establishing a management team, primarily in the case of a strike, but also in the face of a union which presumably shares no objects in common with the employer. First, ostensibly there are no strikes under the Public Service Employee Relations Act. Second, the need for management versus union personnel is profoundly misplaced, except in the context of union/management conflict. Third, in the university context, who forms management? The 1,800 academic staff, including the deans, department heads, director of personnel services and staff relations, or their subordinate non-academic employees?

If the problem is really one of supervisory versus non-supervisory employees, why not establish another bargaining unit at the University of Alberta, instead of excluding supervisory personnel from collective bargaining entirely? As we point out on pages 8 and 9 of our submission, support staff of the University of Alberta have inferior bargaining rights now, in terms of the bargaining legislation in place for academic versus non-academic staff of universities. As we read the Universities Act — and we have reproduced pertinent sections of that for you in appendix C of our submission, on pages 14 to 19 — academic staff were granted full collective bargaining rights in 1981, subject only to the provisions of any agreement then in force.

At the University of Alberta, the faculty agreement then provided for a wide-ranging form of arbitration commonly referred to as final offer selection. The only matters not subject to arbitration were those covered by the Universities Act. That Act guarantees the academic staff certain protections in the areas of appointment, promotion, termination, or in those areas subject to General Faculties Council approval. General Faculties Council is a body made up in the majority of academic staff.

Presumably, had there been no collective agreement in force at the University of Alberta when the Universities Amendment Act came into force in 1981, the faculty would enjoy the right to strike. NASA cannot conceive how in conscience the government can let such a situation continue. We hasten to add that it is not our intention to detract one iota from academic staff bargaining rights. We simply want something approaching equality of treatment for university support staff.

In our brief we have recommended to the government of Alberta an alternative system of collective bargaining which we suggest be implemented under the Universities Act, one that would be very similar to that which is in place under the Universities Act for the academic staff of the University of Alberta at the present time. How would the system we've recommended operate? Essentially we've recommended a system under which the parties would have to negotiate some form of binding arbitration system for the resolution of disputes arising from negotiations. We conceive of an open process covering all aspects of employer/employee relations. We have confidence that, given an opportunity, we could reach an agreement with the Board of Governors of the University of Alberta. In fact, had the Public Service Employee Relations Act not intervened in 1977, we are confident we would already have such a system in place.

One final point: NASA does not see the system we suggest as a panacea for all the complaints we have with respect to conditions of employment at the University of Alberta. We are interested in establishing bargaining rights, and we think all employees should be able to negotiate with their employers in the manner they desire. We are not interested in guaranteeing the results of bargaining. It is clear, however, that the government's primary concern, as reflected in the amendments proposed in the Labour Statutes Amendment Act and the statements by the Minister of Labour, is to intervene in the bargaining process on behalf of employers in an attempt to stack the deck for employers.

We think unions in Alberta are prepared to represent their members in negotiations without help from the government. We know that we are. Therefore we strongly suggest to the Minister of Labour that he let employers make their own case as well in negotiations, or — and this is a stage below requesting resignation — that he consider changing his title to that of minister for management. I think that's about all we have to say, unless there are any questions.

MR. McPHERSON: Ms Richardson and members of the delegation for NASA, may I refer you to page 9 of your brief, under your recommendations:

> There is no valid reason for Nasa's inclusion under the Public Service Employee Relations Act. Nor, in Nasa's submission, is there any particular reason for granting its members the right to strike — that is not

something desired by the members of Nasa . . .
For the edification of the committee, Ms Richardson, would you expand on the reasons you feel your members consider the strike option is unnecessary?

MS RICHARDSON: We just feel that it's the feeling of our members — and it's been demonstrated to us by them — that they do not wish that as an option at this time. However, they would not want to deny any union that wanted that option. As an option for us, and we are speaking only for ourselves, we do not see that as something we want right now. That's not saying we might change. But right now we don't want it.

MR. LEE: In your brief on page 7, paragraph 1, NASA has expressed, on behalf of the association, that the association "has no particular problems with the proposal" to add section 55 of the Public Service Employee Relations Act, the criterion that "wages and benefits in private and public and unionized and non-unionized employment" be considered by an arbitration board when arriving at its decision.

My question to the representative of the association would be: for the benefit of this committee, could you please elaborate why you feel an arbitration board should consider these criteria?

MR. WALKER: First of all, you are reading something into it that's not there. We are not saying they should consider it. We said we have no particular problem with arbitration boards considering those criteria. The fact is that they consider them now. Were the University of Alberta Board of Governors representative before an arbitration board to advance arguments related to wages and benefits in the private sector, and were they able to come up with meaningful statistics about that and advance them to the arbitration board, there is nothing right now to prevent the arbitration board from considering those factors. We have no difficulty at all with an arbitration board considering those kinds of factors. Quite simply, they're the realities of the market place. But we are not saying we think it would be the greatest thing in the world if they looked at those. We're simply saying we have no problems with it if they do.

MR. LEE: A supplementary, Mr. Chairman. You expressed the point of view that it's difficult obtaining the correct data base relative to private-sector settlements. Is that correct?

MR. WALKER: To give you an example, at the last arbitration board we appeared before, we advanced the Department of Labour survey. The representatives of management at that arbitration board hearing took the position that the data was invalid and therefore the arbitration board should not look at it. I think that's the kind of problem that would be faced. As far as I know, there is no body in Alberta today that can put forward valid statistics about wages and benefits in the private sector. I could be wrong.

MR. LEE: Chairman, a supplementary. Yesterday, during the presentation of the firefighters, one of their recommendations was that there was a need for the establishment of an accurate data base, some system of collecting and disseminating it. Were the minister or the government to establish a policy advisory group for the purpose of establishing such a data base, would your association be prepared to assist in an advisory role in the establishment of that source of information?

MR. WALKER: I've had substantial experience with a federal government process which involves what is known as the Pay Research Bureau. I don't think we would have any difficulty participating with a body, providing it was run by an independent group such as the Board of Industrial Relations, perhaps, if it was set up under their jurisdiction.

In our brief we are suggesting that we want out from under the jurisdiction of those kinds of boards, but I think we would still be prepared to co-operate in the establishment of some kind of independent information-gathering body. There are real problems with that process. You tend to end up with arbitration hearings that do nothing but argue over what the presented statistics mean. So I don't know whether it's all that helpful. But yes, I think we'd be willing to co-operate.

MR. R. MOORE: Mr. Chairman, part of my question was basically answered. Madam President, you stated in your brief that you had no particular problem — and you related to that — with the amendment to section 55 of the Public Service Employee Relations Act, with the new criteria for the arbitration board to come to a decision. I refer to the top of page 7 again, subsection (ii). You touched on subsection (i). To quote:

> (ii) the continuity and stability of the private and public employment, including
>
> (A) employment levels and incidence of layoffs,
>
> (B) incidence of employment at less than normal working hours, and
>
> (C) opportunity for employment.

My question is: would you indicate to our committee why your association agrees with allowing the arbitration board to consider employment and unemployment as a criterion when reaching a decision?

MR. WALKER: Perhaps I'll answer that. I've had more experience in direct dealings with arbitration boards. Again, the same general proposition: arbitration boards presently consider arguments from the employer that nobody ever gets laid off at the University of Alberta. That is in fact not true, but that argument is regularly advanced. I think that's one of the things that's being got at here.

Basically, I think they are already matters that normally would be considered by an arbitration board. We are simply saying again that we don't have any problem with the legislation saying that arbitration boards look at those things. That's not to be taken as saying that we think arbitration boards should necessarily look at them. But if the factors are valid, sure, let them look at them. We have no problems.

MR. R. MOORE: Very good, thank you.

MR. CHAIRMAN: Are there any other questions from the committee members? Would the presenters like to sum up? They have a little time left.

MR. WALKER: No, I don't think we have anything further to add to what we've already said, Mr. Chairman.

MR. CHAIRMAN: I would like to thank you very much for coming before the committee and making the presen-

tation. On behalf of the committee, thank you for the time you spent in your preparation and the time you have taken to appear here.

The next scheduled presenter is coming in at 4:55. We are a little ahead of schedule, so we will adjourn until such time as they arrive and then call the meeting back to order.

[The committee adjourned at 4:33 p.m. and resumed at 4:40 p.m.]

Christian Labour Association of Canada

MR. CHAIRMAN: We will now call the committee to order. On behalf of the committee, I would like to welcome to this segment of the hearings the Christian Labour Association. I would like to inform you that the page you said was missing in your brief has been tabled, and all the members have it.

With that, I would like to inform you that you have 40 minutes to make your presentation. You may use that 40 minutes in any manner you wish, either in a question period or in the total presentation. At the 35-minute mark, a bell will be rung briefly, informing you that there are five minutes left. At the end of that period, there will be a bell signifying the end of your presentation.

Again, welcome to the committee. You may begin your presentation.

MR. VANDERLAAN: Thank you, Mr. Chairman. We appreciate the opportunity to be here today. We sincerely hope that Bill 44 in its present form is only a draft, so that the recommendations and suggestions made by ourselves and others, which will enhance labor relations in this province, will be duly considered before it's enacted.

As you already mentioned, we delivered an insert today, which inadvertently had been left out of our submission. It applies to page 7 — and I'll refer back to it when we get to our brief — above the last paragraph on that page. I guess I could try to make an excuse for missing it by saying we didn't have enough time. I won't do that. I'll simply admit that it's an error on my part and take responsibility for it.

The Christian Labour Association of Canada represents employees throughout the province. It's an independent Canadian trade union that has been certified in Alberta since 1963. It represents nursing-home workers and employees in construction, transportation, and the service industries.

Turning to our brief, Mr. Chairman, we wish to express our appreciation for the opportunity to present our submissions on the areas under investigation by your committee. It is our conviction that the areas pinpointed in Bill 44, the Labour Statutes Amendment Act, 1983, rather than being isolated features in an otherwise healthy labor relations system, are microcosms of that system as a whole. We also believe that genuine solutions can only be found if we are willing to re-examine and re-evaluate the basic motives that have shaped our socio-economic order. Failing to do so may result in symptom treatments which leave the disease itself untouched.

The current economic recession is putting collective bargaining to the test. Will labor/management relations deteriorate, as predicted, or will the parties realize that difficult economic times provide an opportunity for greater collaboration? What can government do to create a better climate?

Although we readily recognize the limitations of a legislative framework for just and harmonious labor relations, government can and should play a positive and decisive role in advancing the rightful place of all parties. We therefore welcome the opportunity to present our ideas and recommendations.

Labor unions, although recognized by law, have not yet gained real legitimacy in the eyes of the business community. Too often unions are perceived as intruders who constantly hammer away at the rights of owners and managers of capital. At the same time, the one-sided emphasis on efficiency and profit has led to the organization of work which all but ignores the needs, aspirations, social contact, and sense of accomplishment of workers as responsible human beings. If we add the commonly held view of many workers and union leaders that managers and investors are distrustful, greedy individuals, we have identified the most important and underlying causes of the frustration and unrest in the work place, which reinforce all the negative features of adversarial collective bargaining.

Labor and management appear to have rejected what should be a partnership role and now regard each other as enemies, with each trying to gain the upper hand. It may have appeared that society could tolerate such an adversarial approach in a continuously growing economy. However, with a downtrend in the economy, the relationship is clearly shown for what it really is — destructive. Since unions are seldom invited to participate in decision-making, they feel no co-responsibility and are often compelled to simply react in a very negative manner. This results in a power struggle with no winners — least of all the worker. In this climate, unions seek to secure their position via closed-shop provisions, subcontracting clauses, and other types of compulsion.

Mr. Chairman, what is urgently needed is a change of attitude and a rejection of the adversarial system and the notion that we are entitled to squeeze out of the system as much as we can. There may be reason to believe that our present difficulties may be an appropriate occasion to call for a greater degree of mutual responsibility and accountability.

How is this to be done? First, we must recognize the legitimate place of trade unions as partners in socio-economic life. We must find a way to integrate workers and unions into the work place as well as into the decision-making structures. In our view, this must take place at three levels. There is need for reform in the factory and office aimed at giving workers more responsibility and trust in their immediate work situation. Here the so-called quality of worklife concepts are important. Second, avenues should be opened that allow workers to be part of the decision-making process. Third, unions should also begin to play an important role in the formation of public policy via representation bodies that serve the government with advice and criticism.

In order to encourage a more central role for trade unions, obstacles which inhibit legitimate trade union growth should be removed. We recommend that a provision be included in the Labour Relations Act, which permits a trade union to request a representation vote if not less that 35 per cent of the employees are members of the trade union at the time of an application for certification. Once the application has been made, union representatives should be granted access to the employer's premises during regular lunch breaks in order to post campaign notices and meet with the work force. Penalties should be imposed on those who do not grant these rights or on those who abuse them.

Legislation which offers unions improved organizing opportunities should lead to a parallel enactment which then requires unions to respect the rights of the individual, and which provides that the public interest is served. We would like to make a number of suggestions which safeguard the rights of individual workers and their organizations, as well as society as a whole.

Our first suggestion relates to the matter of compulsory union membership and dues check-off. In our view, section 78 of the Labour Relations Act, which deals with union membership, is inadequate. It should be recognized that a person who, by conscience, is opposed to joining a union should not be required to pay dues and fees in support of the organization's aims and program, which form the very basis of his objection. We ask that the committee consider amending this provision, to allow conscientious objectors to have the equivalent of dues forwarded to a registered Canadian charity.

We believe that this proposal would more fairly counter the twin evils of selfishness or, as it's commonly called, freeloading, and compulsory union membership or support. We have attached [appendix A], which indicates the check-off provision standard in CLAC agreements. I won't read that, Mr. Chairman, but I will try to summarize it for you.

These provisions make it compulsory for all employees to pay, yet allow us to forward as a contribution to a union of their choice the dues of those who are not willing to support CLAC. In addition, it allows those employees who are by conscience opposed to any and all trade unions to send their dues to any registered Canadian charity selected by mutual agreement, a situation that allows workers to exercise their own rights and freedoms without destroying the trade union movement.

The principle of freedom of association, cited as a fundamental freedom in the Canadian Charter of Rights and Freedoms, is expressed in section 32 of the Labour Relations Act. Nevertheless, with the entrenchment of subcontracting clauses in construction agreements, the wishes of employees increasingly become an irrelevant factor. I would ask the government to recognize that an irreconcilable conflict exists between the right to associate and the coercive practices allowed by virtue of the subcontracting clauses. The problems experienced by CLAC-organized firms underscore the need for corrective action.

Mr. Chairman, on numerous occasions firms employing CLAC members have been forced to leave unionized projects because their workers belonged to the wrong union. Not only does this type of activity deny a worker the freedom to join and be represented by the union of his or her choice; it also makes a sham of the certification process of the Labour Relations Board. We support the right of a union to protect bargaining unit work. But to allow a union or a group of unions to exclude from a jobsite independent unions which have been certified by the Labour Relations Board, is a form of social apartheid which is as reprehensible as the color bar now in effect in South Africa. Accordingly, we strongly urge that the use of subcontracting clauses which discriminate against bona fide independent unions be declared null and void.

Three, we propose that section 117, compulsory arbitration, as proposed in Bill 44, be expanded to include all nursing home employees. In its present form, Bill 44 covers only those employed in nursing homes which operate under a common board with hospitals which fall within the meaning of the Hospitals Act. Employees employed by privately controlled nursing homes are exempt. This creates a situation where approximately 30 per cent of all nursing home employees have to settle their differences through compulsory arbitration, while the remaining 70 per cent will have to struggle for just settlements in an ever-increasing adversarial climate. The right to strike in this industry is of no effect. This was adequately demonstrated in the Edmonton Parkland North situation in the late '70s and early '80s. To apply two separate standards in one industry, as Bill 44 envisions, will only result in frustration and an intensified struggle to outdo the other, adding to an already heated adversarial climate.

Four: of equal concern are the proposed procedures governing compulsory arbitration as outlined in Bill 44. Given the existing climate in labor relations, in our opinion it is essential that disputes be resolved as expeditiously as possible. Delays increase tensions and result in antagonism long after the issues in question are resolved through arbitration. Therefore quick resolution is imperative for normalizing relationships.

We therefore recommend that proposed section 117 be amended in the following manner: (a) where parties cannot effect a settlement, either party may request the appointment of a mediator in accordance with section 84 of the Labour Relations Act; (b) that the mediator, instead of the Labour Relations Board as proposed in Bill 44, be given the power to request the minister to establish a compulsory arbitration board, if the mediator cannot effect a settlement; and (c) that the proposed amendments governing unfair labor practices not apply to decisions of any compulsory arbitration board.

In the proposed amendments outlined in Bill 44, either party can conceivably file a complaint under the unfair labor practice sections of the Labour Relations Act if either party believes the arbitration board's decision has ignored any or all of the criteria set out under proposed section 117.8, thereby creating endless litigation and hearings before the Labour Relations Board, further delaying and frustrating final solution to the conflict. Then, Mr. Chairman, our proposal as to the insert that was delivered today. In addition, we wish to propose that a permanent arbitration tribunal be established that is politically independent, in a similar vein to that presently enjoyed by the Labour Relations Board. We believe this to be an urgent priority. The compulsory arbitration board, as envisioned in Bill 44, is a political mine field for any arbitrator entering it. Although the terms of reference set out in section 117.8 of the Bill can be a meaningful tool, they presuppose political independence. However, if the terms of reference are to be meaningful, the arbitration board should not be beholden to the parties in dispute, the government, or public pressure.

Therefore we believe that a permanent, independent body would be able to exercise its responsibilities in a fair and reasonable manner much more adequately than one appointed by the government or the minister on a temporary basis. In addition to adjudicating all compulsory arbitration cases, such a tribunal should be available to the private sector to hear any disputes or interest arbitration cases, if so desired by the parties to the dispute. We believe this to be a meaningful addition to the ongoing development of a just labor relations structure in this province.

Mr. Chairman, members of the committee, our overall purpose in this brief submission is to encourage you to amend the Act so that unions will increasingly be recognized as responsible social partners in the economic and industrial life of this province. Finally, our recommendations reflect the belief that a free and open society

encourages participation at all levels and fosters rather than hampers the development of unions which enjoy the voluntary support of their members. The openness which we seek should not be confused with an individualistic approach which denies collective responsibility and action. We and our members wish to make a positive contribution by establishing an alternative union movement which seeks to apply Christian principles of social justice. We trust that our ideas and recommendations will receive the committee's careful consideration.

Thank you.

MR. CHAIRMAN: Thank you very much. It is now open for questions.

MR. PAPROSKI: Mr. Chairman, I want to thank the presenters and the Christian Labour Association of Canada for a most interesting, most thought provoking and, indeed, a most valuable presentation.

Your brief stresses the need for improved communication and sharing between management and labor. Do you think collective bargaining which may be concluded by a work stoppage is more adversarial than a conclusion by compulsory arbitration?

MR. VANDERLAAN: Yes it is, without a doubt. In our present collective bargaining structure, the strike is a weapon which will ultimately lead to the survival of the fittest and, therefore, must be seen in that context. But to outlaw strikes and not deal with the structural problems would not be a solution. In other words, to outlaw strikes but leave the structure as it is, where unions are, at best, a necessary evil and, at worst, something that we must do away with — to abolish the strike in that situation would do nothing to enhance labor relations anywhere, in this province or elsewhere.

MR. WEISS: Mr. Vanderlaan, I certainly appreciate your frankness with regard to page 7 and, as a committee member, I appreciate your sincerity in trying to make things work with regard to the labor scene. On page 4, you state:

> It should be recognized that a person, who is by conscience opposed to joining a union, should not be required to pay dues and fees . . .

I would like to clarify this statement, Mr. Vanderlaan. Are you implying that all union dues should be paid on a voluntary basis and, if so, is this then the basis of your organization?

MR. VANDERLAAN: Union dues should be paid by all employees. Our collective bargaining structure is such that the union represents all employees in a particular bargaining unit. I don't think there's anything wrong with that. But we must recognize that in a free and open society, people differ. To differ is not bad; it's good. That means that at a certain point, an employee may very well come and say: I cannot agree with the Christian Labour Association and its principles, but I want to support the Teamsters. That person should have every right to say to us, please pass my dues on to the Teamsters.

At the same time, we do have an element in our society that cannot support a trade union movement of any kind. I think that must be respected. The provisions suggested today in our brief would allow that person freedom of conscience, yet would not undermine and destroy the collective bargaining system because it would allow the union to continue to represent that person. It would allow that person to channel his moneys to the organization he believes in and, at the same time, it would do away with the freeloading — it's the commonly used word — which undermines the collective bargaining structure.

MR. WEISS: A supplementary, if I may, Mr. Chairman. As director then, Mr. Vanderlaan, would you advise members of the committee if there is any system of unions elsewhere that operates on this or a similar basis?

MR. VANDERLAAN: Not that I'm aware of, sir. Hopefully that will someday be the norm for trade unions.

MR. ALGER: I too enjoyed very much your presentation today. Would you expand on your suggestion on page 3 that "avenues should be opened up that allow workers to be part of the decision making process"? In your opinion, would this make unions more "responsible social partners in the economic and industrial life of the province", as suggested on page 8?

MR. VANDERLAAN: Without a doubt in my mind. Maybe for me to most clearly illustrate that: collective bargaining took place in this province and throughout Canada in the spring of 1982, when the economy was going full swing and there seemed to be no end to the gold mines of tomorrow. Six months after those collective agreements were concluded, recession set in, hard and heavy. Many manufacturing plants in particular were all of a sudden faced with the inability to market their products. As a result, huge layoffs took place, plants were shut down for six months at a time — and I'm thinking particularly of the lumber industry — meaning that in spite of substantial wage increases, these people found themselves not only without an income but also totally devastated because they were out of work; they were useless at that point.

The Christian Labour Association of Canada and the lumber industry — and you may have become aware of that through the CBC national news — sat down wherever we had collective agreements in British Columbia and suggested prior to plant opening that we review the situation, on the condition that the companies involved open their books to independent auditors, which was done. The companies agreed. At that point, after the auditors' reports came out, we sat down with all our members and discussed the situation. In each of those cases, we took a 10 per cent wage reduction, on the condition that the plants would not shut down and with a rider that our members would receive wage increases whenever the product could be marketed and lumber prices went up. That brings responsibility. That brings participation in the decision: are you going to shut down or not?

Too often in our society, an individual or a corporation decides there's no money to be made and to heck with the consequences. Employees are sent home, and their lives are totally uprooted. If they are made part of the decision-making process, you will find, time and again, that employees make very responsible decisions. Added to that — which I found most revealing — is that in the community of Vanderhoof, where most of this took place, every time a CLA member went grocery shopping, the store reduced his cost for groceries by 10 per cent. If he went to the hardware store, the same thing occurred. So an entire community began to function together to help the economic conditions of the total community. I

think that's what happens when everyone participates in the decision-making process.

MR. NOTLEY: Mr. Vanderlaan, while I don't agree with every aspect of the brief, I think we should perhaps explore in a little more detail a couple of quite important and pertinent observations that your organization has made. The first is the time it takes for compulsory arbitration. Some of the settlements have received a good deal of publicity, and statements have been made about them being unreasonable. Because of the long, protracted procedures, the workers' awards have been portrayed in an unfair way in the press and by certain people who've made statements. In fact, we're really dealing with an award for a different set of conditions because of the time frame that's taken for arbitration.

MR. VANDERLAAN: Allow me to respond to your first part first. If you and everyone in this Assembly agreed with me, I guess there would be no need for me to be here today.

I agree: my concern is that arbitration as we've experienced it in this province in the last six months is more a problem of public perception than anything else. Arbitration awards that seemed very high when they came out were arbitration awards for times of from one to two years earlier. Therefore they were very much in line with what was happening in industry overall.

I think that's exactly the problem with the arbitration process. That's also the problem with the process envisioned in Bill 44. Arbitration must be done quickly and expediently. If it isn't, then time and again you will deal with a city which has made up a budget and, a year and a half later, is faced with a wage increase retroactive 18 months or more. You find a city finding itself in budgetary problems. Any corporation, especially the ones depending on government funding, like nursing homes or whatever — if they receive a retroactive award 18 months later, that will throw their budget totally out of kilter. So the arbitration process has to be done much more quickly, and it has to be much more independent so it's not subject to public pressure.

I whole-heartedly agree with you that the awards of late come in a time frame when everybody thinks they're excessive. Public perception is such that they will really never understand that it was for a time frame when they were legitimate.

MR. NOTLEY: You're certainly correct in that observation. The second pertinent observation that I'd like you to expand upon is in the insert, where you talk about the arbitration process being a mine field. There's no question that if there is to be third-party arbitration, that arbitration must not only be fair but be seen to be fair beyond any doubt. Bearing that in mind, in view of the fact that the government of Alberta is a large employer, should we be setting out in the terms of reference, as we do in page 21 of the Act, the fiscal policies of the government as one of the criteria that arbitrators must take into account? Does that not compromise not only the independence as it should exist but the appearance of independence?

MR. VANDERLAAN: Under the present form of Bill 44, I think the criterion is totally unacceptable, because it will never give the appearance that it is being dealt with justly. Secondly, I'm not sure that in actual fact it will be dealt with justly. That's only one of the criteria. That's why it becomes an arbitrator's nightmare. I think that any arbitrator who walks into that field had better have secondary employment before he enters it, because that'll be the last arbitration case he ever proceeds with.

My concern is this, and I say this in all seriousness: we need to find an arbitration process that is totally independent, can set its own precedents, and can work out its own interpretation of a criterion. Then I think criteria can be a very legitimate tool. But if it does not have that independence, then I think it's going to be a failure from the outset.

MR. NOTLEY: Would it be a fair conclusion from your remarks that, basically, if the arbitration process is to work, politicians — the 79 of us — should monkey around as little as possible in the process by throwing in all kinds of ifs, ands, or buts that competent arbitrators should be taking into account in arriving at awards?

MR. VANDERLAAN: I think the task of the government or the Legislature is to set the framework in which an arbitrator works, and then give him total independence and let him work it out in his own competence.

MRS. CRIPPS: I'd like to go back to the points you made in answer to the question from the Member for Highwood. I've had a number of employers indicate that they've had to discuss market conditions with their employees and come to some difficult decisions regarding wages and/or possible layoffs. Do you believe that a union has an obligation to assure jobs for its members and to consider those market conditions?

MR. VANDERLAAN: It does. But it can only do so if it's a full participant and is seen as a full participant. Time and again, I run into the situation where non-union employers say, well, I discussed it with my employees and told them we had to do something. I'm sorry, but under the present circumstances, in all likelihood, he told his employees: either you take a $2 wage cut or you're out of a job. And that's called the decision-making process. I don't think it's much of a process at all.

What I'm concerned about is, if we're genuinely concerned about making decisions together, then we have to be open, we have to dare to open our books and say, here it is; these are the circumstances I'm faced with. We have to assume that the employers have more competence in that area than the employees, then allow them to find persons of equal competence to look at that and measure it. Otherwise, I think it's not only the perception that employees have but also the reality that questions arise: what happened in good times when you were doing so well; where has all that disappeared to?

MRS. CRIPPS: Supplementary, Mr. Chairman. You're recommendation for a permanent arbitration tribunal raises an important principle. In usual practice, of the three persons on the tribunal, one is nominated from each sector, and there's an independent chairman. They supposedly bring their own organization's interests to the bargaining table. How do you view this practice?

MR. VANDERLAAN: If it is someone or a group of three appointed as arbitrators in a one-shot affair, then it will have a tendency to lean on the biasses of each individual and a great deal on public perception. How can they give a decision that will be well received by the public and that will please both parties in the dispute?

That's an impossible task. I think the only way that can be resolved is a permanent arbitration tribunal that is there at all times, whose task it is to do all public arbitration and is also open for private disputes and interest arbitrations to be taken to it. But I think it's very important that they work out the criteria. You cannot, in a one-shot affair, work out criteria in a meaningful way. If you can help me convince Mr. Young of that, I think we're along the way.

MR. KOWALKSI: Mr. Chairman, I very much appreciated the brief. But I'm a bit troubled by the exchange we've just had in response to a question from the Member for Spirit River-Fairview. It deals with the whole question of the fiscal policies of the government with respect to arbitration boards. I feel very strongly that as a legislator, I'm a public trustee elected to represent a number of people living in Alberta. I know that certainly has to be the feeling of all members of this Assembly. In a democracy, the fiscal policies of the government are, in essence, the fiscal policies of the people. Are you suggesting that the views of the general population should be ignored in arbitration hearings?

MR. VANDERLAAN: Yes, they should. In this manner: when the government sets fiscal policy, hopefully it does that on behalf of the public. But if that becomes determinative because of how it comes out in public through the news media, then I don't think it's public interest any longer, but public pressure. The impression and the perception very much in the public's mind — and the recent arbitration cases are a prime example of this — is that these people are terribly overpaid; they received increases of 18 to 20 per cent while everyone else was down to 7 or 8 per cent, and they feel cheated. But the public does not perceive, partly because the news media has not made them sufficiently aware of it and partly because we hide behind the fact that they are receiving 18 per cent increases today — they're not; they're receiving it from 18 months ago.

So in that sense, I think the public has to be divorced from it. The Labour Relations Board makes decisions today. If every one were published, the public would probably not comprehend, would misunderstand, and misinterpret. But because it has a structure and a framework in which to work, it can make decisions that are meaningful and enhance relations between employers and employees in this province.

MR. KOWALSKI: A supplementary to Mr. Vanderlaan. Would you see a role at all for the views of the public being brought to an arbitration board when looking at a situation?

MR. VANDERLAAN: I'm sorry, I don't understand.

MR. KOWALSKI: In your view, would the views of the public be unimportant when an arbitration board looks at a situation between two parties in conflict?

MR. VANDERLAAN: You can't determine everything by how the public feels today. If you did that every time you made a decision here, you'd never make a decision, simply because there are many varying public views. They vary from month to month. It all depends on how the issue is brought across. But certainly an arbitration decision dealing with the working conditions and monetary returns of work of a group of employees cannot be determined by the public at large. It has to be determined on the basis of justice.

MR. PAHL: Mr. Chairman, I found this exchange fascinating, and I want to pick up on it slightly. If I understand you, you're saying that the views of the public cannot be predominant at any moment. But would you not agree that the public interest — and that's somehow vaguely described as represented by the fiscal policies of the government — should in some way be a factor? I guess you'd maybe have to philosophically apply that to natural justice. I felt there was something missing in the exchange. Could you concede that one?

MR. VANDERLAAN: The fiscal policy has already been incorporated in the criteria set in Bill 44. I assume that would be the public interest. But that's not the only criterion, of course. There are many others that you are familiar with. When an arbitrator looks at these, he cannot only look at government fiscal policy. He has to look at what's happening in the industry, and all kinds of things. If he comes in and does it in a one-shot affair and then leaves again, without being responsible, one way or another, for the consequences of the precedents he has set, I think it is insufficient to do justice to the situation. We're talking about justice here, more than anything else. I think that has to be the underlying principle of compulsory arbitration: are we getting just settlements that do justice to all the criteria set out, not just one?

MR. PAHL: A supplementary. I think we're saying the same thing. The public being served in a responsible way is part of that justice of the settlement. That's the point I wanted to make.

MR. CHAIRMAN: Are there any other questions from the members?

If not, I would like to thank you very much for coming before the committee to make your views known to the members. On behalf of the committee, thanks for taking the time and effort to bring us this brief.

[The committee adjourned at 5:20 p.m. and resumed at 5:25 p.m.]

Alberta Hospital Employees Union No. 41

MR. VICE-CHAIRMAN: I call this segment of the public hearings to order. Members of the committee, we are pleased to [welcome] the Alberta Hospital Employees Union No. 41. They are represented by Mr. Mitchell, business agent; Mr. George Szatylo, business agent; and Mr. Ron Dubie, president.

Gentlemen, I think you're well aware of the time allotment of 40 minutes. A bell will be rung at 35 minutes, and that allows five minutes to remain. I ask you to utilize the time in the most effective way. Would you please proceed.

MR. MITCHELL: Thank you, Mr. Chairman.

Members of the committee, Bill 44 is the most vicious, anti-union legislation proposed by any government in Canada in many years. This legislation is a direct attack on working people, particularly hospital workers. It is obvious that the government of the province of Alberta is intent on destroying collective bargaining and weakening, if not destroying, trade unions in the public sector.

Throughout the past century, working people have

fought many battles to establish unions in order to bargain collectively with their employers. The right to collective bargaining, which includes the right to strike, is recognized throughout the western democracies as an integral part of the democratic system. Even the existing Labour Relations Act recognizes this right.

It is not many years ago that hospital workers in Alberta were forced to launch a massive campaign in order to raise the basic wage in hospitals to a level above the poverty line. With one fell swoop, your government would now roll back the hands of time and, in the process, destroy free collective bargaining. In our opinion, the government already has excessive power to deal with emergencies under part 7, division 4 of the Labour Relations Act. The thick-headed, naive thinking of those who believe that compulsory arbitration is a viable substitute for collective bargaining only indicates that the members of this government have little or no experience in collective bargaining or labor relation matters.

As important to the collective bargaining process itself, is the ongoing relationship between labor and management on a day-to-day basis and the administration of the collective agreement. The Alberta Hospital Employees Union has no hesitation in stating that we have been successful in reaching amicable settlements of our collective agreements through free collective bargaining, which includes the right to strike. We also do not hesitate to state that our day-to-day relationship with management of the hospitals we represent is a good one. The present relationships were developed from a position of strength and mutual respect, not by an imposed settlement by your government or an arbitrator. Bill 44 would force an arbitrated settlement which would unlikely be acceptable to either party. With unhappy and disenchanted union members and management personnel, the existing relationships could soon be destroyed.

As distasteful and unacceptable as compulsory arbitration is to anyone who believes in a free and democratic society, it is incomprehensible how any democratically elected government would, least of all, impose compulsory arbitration but, in addition, interfere with and influence the arbitrators. The government's excuse for establishing guidelines for arbitration boards is apparently what the government considers to be unacceptable awards. Did it ever occur to the hon. members of the Progressive Conservative government that you may have created all your own perceived problems in the first place by forcing compulsory arbitration on large sectors of the Alberta work force rather than adopting a more progressive policy that would encourage free collective bargaining? If compulsory arbitration is in fact not working, then we fail to understand the rationale for taking collective bargaining rights away from hospital workers and placing them under that system that doesn't work.

It is bad enough that the government wants to shackle the hospital workers with compulsory arbitration. It is even more disgusting that Bill 44 would allow employers to make the determination as to whether or not a strike has occurred and to discontinue the deduction and remission of union dues. It is not difficult to imagine the abuses that could be perpetrated by overzealous management intent on financially crippling a union. There is no place for this type of union-busting legislation in a free and democratic society. It is interesting to note that Bill 44 does not make provision for a union to make a raid on the employer's treasury when the union determines that a lockout has occurred.

The members of our union are dedicated to providing service in the hospital and health care field. In return for those services, we insist upon maintaining the right to free collective bargaining. To destroy collective bargaining can only lead to poor labor/management relationships, which in turn will lead to a deterioration in health care services.

We hesitate to even comment on the proposed procedures in Bill 44 while we object to the use of compulsory arbitration. However, we point out the following: Section 117.4(1) provides that the minister must agree to establish a compulsory arbitration board. What happens if the minister doesn't agree to establish the board? The parties to the dispute could be without a collective agreement with no recourse to any action that could be construed to be a strike or lockout. We cannot accept this type of discretionary power by the minister.

Section 117.6(b) provides that the minister shall "list the items in dispute to be resolved by the compulsory arbitration board". The items in dispute should be determined by the parties, not the minister.

Section 117.7(3) provides for an arbitration board to "include the method of arbitration known as 'final offer selection' ". At best, this proposal is nothing more than gimmickry and, at worst, amounts to playing Russian roulette with our collective agreements. Final offer selection requires an arbitrator to select the final position of one of the parties to the dispute while the other party gets nothing — some justice, especially when arbitration boards will now become a party to carrying out government fiscal policy. The Alberta Hospital Employees Union has no desire to become part of such a mindless game.

We want to advise the members of the committee that our union is disappointed and shocked at the manner in which Bill 44 has been introduced. Surely the Minister of Labour had a responsibility to have prior discussions with the organizations affected, regarding the government's concerns and possible solutions to any problem areas that may exist. This was not done. Instead the Minister of Labour chose to introduce legislation that destroys collective bargaining and replace it with a compulsory arbitration system that, if not totally controlled, is highly influenced by the government.

In summary, the Alberta Hospital Employees Union objects to Bill 44 on the following grounds. Collective bargaining, which has served the needs of working people over many decades, will no longer exist. Compulsory arbitration is not a viable substitute for collective bargaining. Employee/management relations will be frustrated. The level of service in the health care field will be adversely affected. Replacing free collective bargaining with compulsory arbitration will not prevent strikes. It could increase work stoppages. Where there are injustices, people will strike regardless of the legalities. An employer could instigate a strike and then cripple the union financially by discontinuing the check-off and remittance of union dues. The Minister of Labour has unwarranted discretionary powers. Final offer selection should not be included in any legislation. Arbitration boards will no longer be able to act independently but will be influenced by government policy.

A few concluding remarks, Mr. Chairman. It is the opinion of this union that this government and the Minister of Labour have shown nothing but contempt for working people and their unions. The Minister of Labour has been out soliciting submissions from his friends in the business community, while organizations like our own had to argue with the chairman and the vice-chairman to

establish our right to even be heard in front of this committee. Any laws that are passed must have the support and respect of the community to whom they apply. If Bill 44 goes through, I can assure you that it will not be respected by our union. Bill 44 is the type of legislation we might expect from some fascist dictatorship, not from a democratically elected government, Mr. Chairman.

MR. VICE-CHAIRMAN: We are now open for questions from committee members.

MR. R. SPEAKER: Mr. Mitchell, with regard to the minister having the power to list the items under arbitration, is there any historic precedent for that kind of action? I was always under the impression that the two parties involved in the arbitration contributed to that list, and then the arbitrator assessed it accordingly. In your experience — and you have had long-term experience in labor legislation, negotiations, et cetera — is there any historic precedent for that kind of legislation or intervention by a minister of the Crown?

MR. MITCHELL: No. Under any normal type of arbitration system, the parties to the dispute will list the items to be resolved by an arbitration board, certainly not the Minister of Labour.

MR. NOTLEY: Mr. Mitchell, in your view, is there any danger that the provisions of this Bill — particularly with respect to arbitration and the setting out of guidelines including government fiscal policy as a guideline for the arbitration procedure — are in fact a violation of our ILO commitments?

MR. MITCHELL: I have no doubt it is. But this government has been brought before the International Labour Organization on previous occasions and their present legislation in this province found lacking and not up to ILO standards. I expect that the ILO would find the same thing with this.

MR. VICE-CHAIRMAN: Are there any other questions from committee members?

If not, gentlemen, would you like to make any summary remarks? This is your time.

MR. MITCHELL: No, that will be all, thank you.

MR. VICE-CHAIRMAN: Thank you, then, for appearing before the committee. We appreciate your comments.

With that, I would like to adjourn this segment of the hearings.

[The committee adjourned at 5:40 p.m.]