

Manitoba Federation of Labour

BRIEF TO THE

**Standing Committee on
Social and Economic Development**

on

Bill 21

**The Advisory Council on
Workforce Development Act**

May 26, 2008

“The purpose of this Act is to facilitate and encourage the cooperative participation of employers, employees and labour organizations in the development of government policies and strategies for developing Manitoba's workforce.”

This is the preamble of Bill 21 and it gives us insight into how important this Bill is. It has the potential to address many issues that face the residents of Manitoba, including workforce training and retention, apprenticeship and skilled worker issues and worker adjustment policies.

The Manitoba Federation of Labour is pleased to add its voice to others who support the passage of Bill 21.

Its role is described in Section 4; that it is to “consult with sector councils and provide information and advice to the minister about workforce trends, and about initiatives, policies and strategies for developing Manitoba's workforce.”

Right now, there are sixteen sector councils operating in cooperation with the government of Manitoba. To our surprise, only a small number of them include workforce representation through representatives of their employees’ democratic structures – their unions.

This is one reality an amendment to Bill 21 can remedy. By denying labour a seat at the table in the vast majority of cases in Manitoba’s sector council structure, a deep well of knowledge and expertise is going unused.

One of Canada’s first, if not the first sector council, is the Canadian Steel Trade and Employment Congress (CSTEC). It was established in the 1980’s as a bi-partite body made up of major steel industry employers and the United Steelworkers of America, the union representing most of the employees in that sector to present a common front over trade grievances with the United States.

But it soon became a valuable tool for the parties to use to meet a related challenge – worker adjustment in the face of large scale steel industry layoffs. It has been documented that large majorities (75 to 80%) of affected workers who took retraining courses through CSTECH found new jobs, either in the steel industry or elsewhere in the Canadian workforce.

The point we're making here is that the parties realized added dimensions to their partnership than was originally anticipated when CSTECH was formed. That is the benefit of creating the necessary critical mass for planning by including a stakeholder as important as workers when sector councils are formed.

The reality is, sometimes the horse has to be led to water trough before it will drink. We recommend that Bill 21 be amended to include a requirement that all of Manitoba's sector councils must have organized labour or labour endorsed representation. If a sector is not unionized to the point that makes this possible, then workers in that sector should be appointed as community representatives. Such appointments, including "employee" appointments made to the Advisory Council On Workforce Development, should require endorsement by employers and labour organizations.

It is not enough to say that labour representation on each sector council is not necessary since they will be represented on the Advisory Council created by Bill 21. We need labour representation from the industries which are relevant to the various sector councils from which the immediate recommendations will emanate. Otherwise, it will put an impossible onus on the labour representatives on the Advisory Council to be experts in all aspects of Manitoba's economy in order to properly review recommendations from each sector council.

We say this because the challenge of finding employee representatives that will truly represent the interests of their co-workers in a non-union environment is virtually insurmountable without this measure. Too often, employee representatives are selected by their employers and who they truly represent at the table is impossible to determine.

Why labour representation on sector councils is important is well documented and obvious when what sector councils do is reviewed.

Following the successes of CSTEAC, the federal government sponsored more sector councils - joint labour-management bodies to create human resource strategies and address human resource issues within a particular sector. This includes:

- the distribution of training funds,
- the design of sector-specific skill programs,
- the design of improved sector labour market information mechanisms
- and the development of industry-wide occupational and training programs.

And how has this bi-partite process that includes labour representatives worked out? Human Resources and Social Development Canada's website contains useful insight into this:

Neutral observers have concluded that the councils have been successful within their terms of reference. They have fostered a climate of trust and problem-solving within their sectors. They have improved the delivery of labour market programs, especially in sectors like steel where employment is declining. Standardized training programs have produced cost savings.

The importance of the labour-management link for sector councils in Manitoba was underscored in 2006 by a report prepared by the Premier's Economic Advisory Council, a tripartite body mandated to provide the Premier with advice on a range of economic development issues, including skills development and worker retention.

Its observations on sector councils and bipartitism are as follows:

"...in Manitoba we want to ensure:

That we recognize and promote the benefit of workers, through their representatives, and employers being equal partners in the planning and implementation stages of a skills development and retention plan. This develops a sense of ownership and commitment on

the part of all parties, smoothing the way for effective implement of the resulting strategies.

“...we have the following advice for the Premier...Build on the success of Manitoba’s sector councils. Increase the mandate of sector councils; expand these structures to represent other areas of economic activity.”

That this is as timely today as it was in years past is evidenced by a statement made by the Canadian Labour Congress following the presentation of the Federal Budget in February 2008:

We said that the Budget should kick-start new manufacturing investment by supporting sector development strategies in key industries like auto and forestry. We need highly targeted measures to boost real investment, not more reckless, costly, across-the-board corporate tax cuts which mainly benefit the booming energy sector and the banks...

... We also need more government support for labour adjustment and worker training. Instead of the stop-gap temporary foreign worker program which has led to many cases of gross exploitation, we need to move unemployed and under-employed workers, especially recent immigrants and aboriginal Canadians, into good, skilled jobs.

This is a clear call for enhanced sector councils that operate with the benefits embodied in a strong bi-partite forum. The kind of strategy we urge the province of Manitoba to adopt through Bill 21. Organized labour in Canada has a history of developing positive experiences in sector training strategies. We will continue to promote sector skills training councils in which labour plays an equal role with employers.