File No. CI 17-01- 08926

THE QUEEN'S BENCH WINNIPEG CENTRE

BETWEEN:

MANITOBA FEDERATION OF LABOUR (IN ITS OWN RIGHT AND ON BEHALF OF THE PARTNERSHIP TO DEFEND PUBLIC SERVICES), THE MANITOBA GOVERNMENT AND GENERAL EMPLOYEES' UNION, THE MANITOBA NURSES' UNION, THE MANITOBA TEACHERS' SOCIETY, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCALS 2034, 2085, AND 435, MANITOBA ASSOCIATION OF HEALTH CARE PROFESSIONALS, UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL 832, UNIVERSITY OF MANITOBA FACULTY ASSOCIATION, CANADIAN UNION OF PUBLIC EMPLOYEES NATIONAL. ASSOCIATION OF EMPLOYEES SUPPORTING EDUCATION SERVICES, GENERAL TEAMSTERS LOCAL UNION 979, OPERATING ENGINEERS OF MANITOBA LOCAL 987, THE PROFESSIONAL INSTITUTE OF THE PUBLIC SERVICE OF CANADA, PUBLIC SERVICE ALLIANCE OF CANADA, UNIFOR, LEGAL AID LAWYERS FORESTRY. AND PAPER STEEL, UNITED MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, LOCALS 7975, 7106, 9074, and 8223, WINNIPEG ASSOCIATION OF PUBLIC SERVICE OFFICERS IFPTE LOCAL 162, THE UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA LOCAL UNION 254, and UNIVERSITY OF WINNIPEG FACULTY ASSOCIATION

Plaintiffs.

-- and --

THE GOVERNMENT OF MANITOBA,

Defendant.

STATEMENT OF CLAIM

MYERS WEINBERG LLP

Barristers and Solicitors 724 - 240 Graham Avenue Winnipeg, Manitoba R3C 0J7 FILED QUEEN'S BENCH; JUL 0 4 2017

LAW COURTS WINNIPEG

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Telephone No. 204-942-0501 Facsimile No. 204-956-0625 File No. 29892-003

THE QUEEN'S BENCH WINNIPEG CENTRE

BETWEEN:

MANITOBA FEDERATION OF LABOUR (IN ITS OWN RIGHT AND ON BEHALF OF PARTNERSHIP TO DEFEND PUBLIC SERVICES), THE MANITOBA GOVERNMENT AND GENERAL EMPLOYEES' UNION, THE MANITOBA NURSES' UNION, THE MANITOBA TEACHERS' SOCIETY, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCALS 2034, 2085, AND 435, MANITOBA ASSOCIATION OF HEALTH CARE PROFESSIONALS, UNITED FOOD AND COMMERCIAL WORKERS UNION LOCAL 832, UNIVERSITY OF MANITOBA FACULTY ASSOCIATION, CANADIAN UNION OF PUBLIC EMPLOYEES NATIONAL, ASSOCIATION OF EMPLOYEES SUPPORTING EDUCATION SERVICES, GENERAL TEAMSTERS LOCAL UNION 979, OPERATING ENGINEERS OF MANITOBA LOCAL 987. THE PROFESSIONAL INSTITUTE OF THE PUBLIC SERVICE OF CANADA, PUBLIC SERVICE ALLIANCE OF CANADA, UNIFOR, LEGAL AID LAWYERS PAPER AND FORESTRY, RUBBER. UNITED STEEL. ASSOCIATION. MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, LOCALS 7975, 7106, 9074, and 8223, WINNIPEG ASSOCIATION OF PUBLIC SERVICE OFFICERS IFPTE LOCAL 162, THE UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA LOCAL UNION 254, and UNIVERSITY OF WINNIPEG FACULTY ASSOCIATION

Plaintiffs,

-- and --

THE GOVERNMENT OF MANITOBA.

Defendant.

STATEMENT OF CLAIM

TO THE DEFENDANT:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or a Manitoba lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the

Queen's Bench Rules, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it in this court office, **WITHIN TWENTY DAYS** after this Statement of Claim is served on you, if you are served in Manitoba.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

DEPUTY REGISTRAR
COURT OF QUEEN'S BENCH

Date: July 4, 2017

Issued by:

MOR MANITORA

ilii n 4 2017

Deputy Registrar Court of Queen's Bench 408 York Avenue Winnipeg, MB R3C 0P9

TO: THE ATTORNEY-GENERAL OF MANITOBA

c/o Manitoba Justice – Constitutional Law Branch 1205-405 Broadway Winnipeg, Manitoba R3C 3L6

CLAIM

- 1. The Plaintiffs claim:
 - (a) an interim and/or interlocutory injunction and/or stay order restraining, enjoining and prohibiting the Defendant from proclaiming into force sections 9 through 15 of *The Public Services Sustainability Act*, S.M. 2017, c. 24 (the "PSSA");
 - (b) in the alternative, an interim and/or interlocutory injunction and/or stay order suspending s. 31 of the PSSA or suspending sections 9 through 15 of the PSSA;
 - (c) a declaration that the Defendant violated s. 2(d) and s. 7 of the *Canadian Charter of Rights and Freedoms*, Part I of the *Constitution Act, 1982*, being Schedule B to the *Canada Act 1982* (UK), 1982, c. 11 ("the *Charter*") respecting the rights of employees represented by UMFA, and that the violation cannot be justified under s. 1 of the *Charter*;
 - (d) a declaration that the Defendant violated the s. 2(d) and s. 7 Charter rights of employees represented by the Plaintiff Unions by failing to give them an opportunity to engage in a timely, good faith process of collective bargaining with their respective employers prior to enacting the PSSA;

- (e) in the alternative to paragraph (d), if a process of meaningful consultation between the Plaintiff Unions and the Defendant about the PSSA is a constitutionally adequate substitute for the process of timely, good faith collective bargaining between the Plaintiff Unions and their respective employers in the circumstances of this claim, which is denied, then:
 - a. a declaration that the Defendant violated the s. 2(d) and s. 7 *Charter* rights of employees represented by Plaintiff Unions who participated in the Fiscal Working Group (as herein defined), by failing to engage in a good faith process of negotiation and meaningful consultation process prior to enacting the PSSA, and that the violation cannot be justified under s. 1 of the *Charter*; and
 - b. a declaration that the Defendant violated the s. 2(d) and s. 7 Charter rights of employees represented by the Plaintiff Unions who did not participate in the Fiscal Working Group, by failing to engage in any process of good faith negotiation and meaningful consultation prior to enacting the PSSA, and that the violation cannot be justified under s. 1 of the Charter;
- (f) a declaration that sections 9 15 of the PSSA violate the rights and freedoms guaranteed by s. 2(d) and s.7 of the *Charter*, cannot be justified under s. 1 of the *Charter*, and are invalid and of no force and effect;

- (g) an order that any collective agreement entered into after March 20, 2017, that encompasses all or part of the "Sustainability Period" set out in the PSSA and the terms and conditions of employment contained therein are, at the option of the Plaintiff Union, null and void, of no force and effect and, at the option of the Plaintiff Union, subject to being renegotiated as if the collective agreement had not been concluded and ratified;
- (h) an order that any interest arbitration award including an award issued by the Manitoba Labour Board rendered after March 20, 2017 that encompasses all or part of the "Sustainability Period" set out in the PSSA, and the terms and conditions of employment contained in that award, are, at the option of the affected Plaintiff Union, null and void, and of no force and effect and, at the option of the Plaintiff Union, subject to renegotiation or referral back to interest arbitration as if the award had not been rendered;
- (i) an order that any term or condition of the PSSA declared invalid does not bind any of the Plaintiff Unions, their members, or their employers;
- (j) an order for compensation and damages for all losses incurred by employees affected by the PSSA as a result of the violation of *Charter* rights and freedoms as set out herein, including damages under s. 24(1) of the *Charter* for employees who have been required to forego compensation as a result of the PSSA;

- (k) pre and post-judgment interest on all damages pursuant to *The Court of Queen's Bench Act*, S.M. 1988-89, c. 4;
- (I) costs of this action on a solicitor and client basis; and
- (m) such other remedies as are appropriate and just in the circumstances which this Honourable Court sees fit to grant.

The Plaintiffs

- 2. The Plaintiff, Manitoba Federation of Labour (hereinafter "MFL") is an unincorporated organization, chartered by the Canadian Labour Congress and is made up of trade unions which represent unionized employees in the Province of Manitoba. It has an office at 303-275 Broadway, in the City of Winnipeg, in Manitoba.
- The Plaintiff, Manitoba Government and General Employees' Union (hereinafter "MGEU"), is a union as defined in Manitoba's *Labour Relations Act*, C.C.S.M. c. L10, (hereinafter the "LRA") and represents approximately 39,000 employees under 87 separate collective agreements, who work directly for the Province of Manitoba as well as employees who work for government agencies, Regional Health Authorities, Child and Family Services Agencies, and Crown corporations. It has an office at 601-275 Broadway, in the City of Winnipeg, in Manitoba.

- 4. The Plaintiff, The Manitoba Nurses' Union (hereinafter "MNU"), is a union as defined in the LRA, and represents approximately 11,500 nurses who work in Manitoba. It has an office at 301-275 Broadway, in the City of Winnipeg, in Manitoba.
- 5. The Plaintiff, The Manitoba Teachers' Society (hereinafter "MTS"), is a corporation under *The Manitoba Teachers' Society Act*, C.C.S.M. c.T30, and a union as defined in the LRA representing approximately 15,000 members who are employed as teachers, clinicians, principals and vice-principals in the public school system throughout Manitoba. MTS has chartered 40 Locals of the Manitoba Teachers' Society that have 38 collective agreements with School Divisions and Districts. MTS has an office at 191 Harcourt Street in the City of Winnipeg, in Manitoba.
- 6. The Plaintiff, International Brotherhood of Electrical Workers Local 2034 (hereinafter "IBEW 2034"), is a union as defined in the LRA. IBEW 2034 represents approximately 2,800 field work employees working for Manitoba Hydro in the generation, transmission and distribution of hydro electric energy. IBEW 2034 has an office at 1563 Pembina Highway in the City of Winnipeg, in Manitoba.
- 7. The Plaintiff, International Brotherhood of Electrical Workers Local 2085 (hereinafter "IBEW 2085"), is a union as defined in the LRA. IBEW 2085 represents approximately 19 employees working for the Winnipeg School

Division as electricians. IBEW 2085 has an office at 556 Notre Dame Avenue in the City of Winnipeg, in Manitoba.

- 8. The Plaintiff, International Brotherhood of Electrical Workers Local 435 (hereinafter "IBEW 435"), is a union as defined in the LRA. IBEW 435 represents approximately 89 employees working for Manitoba Hydro Liquor and Lotteries. IBEW 435 has an office at Unit # 214, 301 Weston St., in the City of Winnipeg, in Manitoba.
- 9. The Plaintiff, Manitoba Association of Health Care Professionals (hereinafter "MAHCP"), is a union as defined in the LRA, representing approximately 3,900 members who are employed as health care professionals in Manitoba. MAHCP has an office at 101-1500 Notre Dame Avenue, in the City of Winnipeg, in Manitoba.
- 10. The Plaintiff, United Food and Commercial Workers Union Local 832 (hereinafter "UFCW"), is a union as defined in the LRA, representing approximately 2,100 members who are employed in the areas of health care and assisted living, in Manitoba. UFCW has an office at 1412 Portage Avenue, in the City of Winnipeg, in Manitoba.
- 11. The Plaintiff, The University of Manitoba Faculty Association (hereinafter "UMFA") is a union as defined in the LRA. UMFA represents approximately 1,200 full-time academic faculty members at the University of Manitoba

employed as professors, lecturers, instructors and librarians. UMFA has an office at 100-29 Dysart Road, in the City of Winnipeg, in Manitoba.

- 12. The Plaintiff, Canadian Union of Public Employees National (hereinafter "CUPE"), is a union as defined in the LRA. CUPE and its locals represent approximately 26,000 employees in the area of kindergarten to grade 12 and post-secondary education, healthcare, social services, crown corporations, municipalities, civilian members of emergency services and airlines, and childcare in Manitoba. CUPE has an office at 704-275 Broadway, in the City of Winnipeg, in Manitoba.
- 13. The Plaintiff, The Association of Employees Supporting Education Services (hereinafter "AESES"), is a union as defined in the LRA. AESES represents approximately 2,350 employees working in support service positions for the University of Manitoba, and approximately 640 employees working in support service positions for the University of Winnipeg. AESES has an office at 103-900 Harrow Street E in the City of Winnipeg, in Manitoba.
- 14. The Plaintiff, General Teamsters Local Union 979 (hereinafter "Teamsters"), is a union as defined in the LRA. Teamsters represents approximately 150 employees in the area of Manitoba Liquor and Lotteries, in Manitoba. Teamsters has an office at 1-1680B Dublin Avenue, in the City of Winnipeg, in Manitoba.
- 15. The Plaintiff, Operating Engineers of Manitoba Local 987 (hereinafter "OEM"), is

a union as defined in the LRA. OEM represents approximately 1,000 employees in the areas of maintenance and trades, support and security services, in Manitoba. OEM has an office at 244 Cree Crescent, in the City of Winnipeg, in Manitoba.

- 16. The Plaintiff, The Professional Institute of the Public Service of Canada (hereinafter "PIPSC"), is a union as defined in the LRA. PIPSC represents approximately 720 employees in the area of medicine and nursing, in Manitoba. PIPSC has an office at 700-125 Garry St., in the City of Winnipeg, in Manitoba.
- 17. The Plaintiff, Public Service Alliance of Canada (hereinafter "PSAC"), is a union as defined in the LRA. PSAC represents approximately 1,100 employees in the area of healthcare, in Manitoba. PSAC has an office at 460-175 Hargrave St., in the City of Winnipeg, in Manitoba.
- The Plaintiff, UNIFOR is a union as defined in the LRA. UNIFOR represents approximately 2,100 employees in the areas of education and lotteries, in Manitoba. UNIFOR has an office at 1376 Grant Avenue, in the City of Winnipeg, in Manitoba.
- 19. The Plaintiff, Legal Aid Lawyers Association (hereinafter "LALA"), is a union as defined in the LRA. LALA represents approximately 55 employees working as staff lawyers for Legal Aid Manitoba, in Manitoba. LALA has an office c/o 100-287 Broadway, in the City of Winnipeg, in Manitoba.

- 20. The Plaintiff, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union Local 7975 (hereinafter "USW 7975"), is a union as defined in the LRA. USW 7975 represents approximately 92 non-teaching employees working for Public School Divisions, in Manitoba. USW 7975 has an office at 404-275 Broadway, in the City of Winnipeg, in Manitoba.
- 21. The Plaintiff, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union Local 7106 (hereinafter "USW 7106"), is a union as defined in the LRA. USW 7106 represents approximately 182 non-teaching employees working for Public School Divisions, and support workers, in Manitoba. USW 7106 has an office at 404-275 Broadway, in the City of Winnipeg, in Manitoba.
- 22. The Plaintiff, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union Local 9074 (hereinafter "USW 9074"), is a union as defined in the LRA. USW 9074 represents approximately 216 non-teaching employees working for a Public School Division, in Manitoba. USW 9074 has an office at 404-275 Broadway, in the City of Winnipeg, in Manitoba.
- 23. The Plaintiff, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union Local 8223 (hereinafter

"USW 8223"), is a union as defined in the LRA. USW 8223 represents approximately 328 non-teaching employees working for Public School Divisions, daycare workers and support staff, in Manitoba. USW 8223 has an office at 404-275 Broadway, in the City of Winnipeg, in Manitoba.

- 24. The Plaintiff, Winnipeg Association of Public Service Officers IFPTE Local 162 (hereinafter "WAPSO") is a union as defined in the LRA. WAPSO represents approximately 67 employees who are managers and coordinators working in the healthcare area, in Manitoba. WAPSO has an office at 2705 83 Garry Street, in the City of Winnipeg, in Manitoba.
- 25. The Plaintiff, The United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of The United States and Canada Local Union 254 (hereinafter "UA 254"), is a union as defined in the LRA. UA 254 represents approximately 20 employees working for the Winnipeg School Division as plumbers. UA 254 has an office at 34 Higgins Avenue in the City of Winnipeg, in Manitoba.
- 26. The Plaintiff, The University of Winnipeg Faculty Association (hereinafter "UWFA") is a union as defined in the LRA. UWFA represents approximately 770 tenured faculty, instructors, Collegiate instructors, contract faculty and librarians. UWFA has an office at 4M56 515 Portage Avenue, in the City of Winnipeg, in Manitoba.

The Defendant

27. The Defendant is the Government of Manitoba, representing Her Majesty the Queen in right of the Province of Manitoba, with an address for service of 1205-405 Broadway, Winnipeg, Manitoba R3C 3L6.

The MFL and its Role in this Action

28. The MFL was founded in 1956 and was chartered by the Canadian Labour Congress. It is made up of 28 unions voluntarily affiliated to it, representing approximately 100,000 unionized workers in Manitoba. The following Plaintiff Unions are not voluntarily affiliated with the MFL: MNU; MTS; MAHCP; AESES; Teamsters; PIPSC; LALA; and WAPSO. The remaining Plaintiff Unions are affiliates of the MFL.

29. The MFL's purposes include:

- to advance Manitoba workers' economic and social welfare;
- to help affiliated organizations with their collective bargaining, union education and other needs;
- to help organize and promote unions, and encourage workers to share in

- the full benefits of membership;
- to work to have laws that will protect and promote union principles such as
 free collective bargaining, workers' rights, people's welfare and security;
- to protect and make strong our democratic institutions, and to make sure
 people know and enjoy our rights and liberties.
- 30. While the MFL does not engage directly in collective bargaining, it supports the attainment of the bargaining objectives of its affiliated unions by working for legislative reform.
- 31. The MFL is governed by an Executive Council which is elected at the triennial convention of the Federation.
- 32. The MFL brings this action on behalf of itself, in the public interest on behalf of all affected employees, and on behalf of all members of The Partnership to Defend Public Services, which is a coalition of public sector unions affected by the PSSA, and by *The Health Sector Bargaining Unit Review Act*, S.M. 2017 c.25, which coalition currently consists of all of the other named Plaintiffs in this Action.

Collective Bargaining under the LRA

33. The preamble to the LRA states that it is in the public interest of the Province of Manitoba to further harmonious relations between employers and employees by encouraging the practice and procedure of collective bargaining between

employers and unions as the freely designated representatives of employees.

- 34. Collective bargaining between unions and employers in Manitoba is governed by the LRA. It requires parties in collective bargaining to bargain in good faith, and to make every reasonable effort to conclude and sign a collective agreement. Once an agreement is tentatively reached between the parties at the bargaining table, the LRA mandates a democratic and fair process by which employees vote by secret ballot to accept or reject the proposed collective agreement. The Manitoba Labour Board is statutorily empowered to oversee the operation of the LRA and to intervene, when necessary, to ensure that the Act is complied with by employers and unions in Manitoba.
- 35. The Plaintiff Unions, which in total represent over 111,000 working people in Manitoba, or, in some cases, their locals, each bargain collectively on behalf of their members with their members' employers and enter into collective agreements with those employers which routinely contain provisions providing for rates of pay, benefits and remuneration, and other terms and conditions of employment applicable to their members' employment.
- 36. Other than MTS, all of the Plaintiff Unions have the right to strike, as provided for in the LRA. MTS is prohibited from striking by provisions of *The Public Schools* Act, C.C.S.M. c. P250 of Manitoba and, instead, has resort to a binding interest arbitration process.

37. Some of the Plaintiff Unions have collective agreements that are currently in force and are not actively engaged in collective bargaining. Other Plaintiff Unions are currently engaged in collective bargaining with employers. At least two Plaintiff Unions, UMFA and LALA, have filed Unfair Labour Practice applications with the Manitoba Labour Board alleging that their respective employers have bargained in bad faith due, in part, to actions taken by the Defendant.

Charter Protection of Freedom of Association

- 38. Section 2(d) of the *Charter* guarantees and protects the freedom of employees to act in common to achieve shared goals related to workplace issues and terms and conditions of employment. This includes the right to engage in a process of meaningful, good faith collective bargaining with their employer(s) in an attempt to achieve their shared workplace goals, to seek to negotiate terms and conditions of employment into a collective agreement, and to engage in a legal strike in order to advance their shared workplace goals.
- 39. A process of meaningful, good faith collective bargaining includes having the ability to make collective representations to an employer about terms and conditions of employment, having those representations considered in good faith, and having a means of recourse should the employer fail to bargain in good faith.
- 40. Wages and other forms of financial remuneration paid to employees for work they perform are important and central to the process of collective bargaining.

- 41. Section 2(d) of the *Charter* is violated when the intent or effect of legislation or government conduct substantially interferes with the freedom of employees to engage in a process of meaningful, good faith collective bargaining with their employer, with freely negotiated terms and conditions of employment arrived at through a process of good faith bargaining, or with the right of employees to collectively engage in strike action in order to advance their shared workplace goals.
- 42. The Defendant has violated s. 2(d) of the *Charter* in the various ways set out below.

Interference with UMFA 2016 Negotiations

- 43. UMFA and the University of Manitoba were parties to a collective agreement effective April 1, 2013 to March 31, 2016. Commencing in April of 2016, UMFA and the University were in negotiations for a renewed collective agreement.
- 44. On September 13, 2016, the University presented a settlement proposal to UMFA in which it offered a four year collective agreement with annual general wages increases of 1% in year 1, 2% in year 2, 2% in year 3 and 2% in year 4, plus market adjustments to certain employee classifications, which the University characterized as a fair and reasonable offer. This offer was not accepted by UMFA, and negotiations continued.

- 45. On September 30, 2016, the Assistant Deputy Minister for Labour Relations, Rick Stevenson, spoke with Greg Juliano, the University's Associate Vice-President of Human Resources, who was also the lead bargainer for the University with its negotiations with UMFA. During that conversation, Mr. Stevenson advised that it was "...highly likely that the government would be moving on public sector wage control".
- On October 6, 2016, Gerry Irving, Secretary of the Public Sector Compensation Committee of the Provincial Treasury Board, acting on behalf of the Defendant, issued a directive from the Defendant to Mr. Juliano. The Defendant directed that the University must withdraw its offer of a four year collective agreement with UMFA, and withdraw the September 13, 2016 salary proposal. The Defendant directed that the University offer UMFA a one year collective agreement with no wage increases. The University complied with this directive ("the Directive") and took its September 13 wage offer off the table.
- 47. The Defendant did not provide any notice of the Directive to UMFA, and failed to engage in any consultation with UMFA on the subject matter of the Directive prior to issuing the Directive, or at all. In fact, the Defendant specifically warned the University to keep all of its communications with representatives of the Defendant strictly confidential.
- 48. A total of approximately 19 telephone conversations, meetings, and written communications back and forth, occurred between representatives of the

University and the Defendant between September 30, 2016 and October 26, 2016. UMFA was not privy to any of the communications.

- 49. UMFA only learned of the Directive, and the series of communications, when they were disclosed by the University on October 27, 2016, the first scheduled date of a mediation to avoid a strike.
- 50. The University participated in mediation with UMFA but otherwise continued to comply with the Directive. On October 27, 2016, the University offered UMFA a one year collective agreement with no wage increases.
- 51. The University's October 27, 2016 offer was rejected by UMFA, and prompted UMFA members to go on a three week strike commencing November 1, 2016. On November 7, 2016, UMFA filed an Unfair Labour Practice Complaint with the Manitoba Labour Board alleging that the University had bargained in bad faith by, inter alia, withdrawing its September 13 proposal and complying with the Directive.
- 52. On November 20, 2016, on day 20 of the strike, UMFA and the University reached a settlement of the collective agreement that included a one year collective agreement with zero wage increases.
- 53. The Defendant's conduct violated s. 2(d) of the *Charter*, particulars of which include the following:

- (a) The Defendant failed to give any notice to UMFA of the Directive.
- (b) The Defendant failed to engage in a process of good faith negotiation or meaningful consultation with UMFA about the wage freeze it had directed.
- (c) The Defendant unilaterally and significantly undermined the process of good faith collective bargaining between UMFA and the University, and unilaterally directed that the University withdraw its September 13, 2016 proposal and replace it with an inflammatory and arbitrary proposal of a one year contract with no wage increase.
- (d) The Defendant acted in a bad faith and arbitrary manner, in the absence of a public and transparent mandate or position on University wage freezes specifically, or public sector wage freezes more generally.
- (e) The Defendant acted in a bad faith and arbitrary manner, issuing its Directive through secretive channels and requesting that it be held confidential, instead of in a transparent and public manner.
- (f) The Defendant sought to promote a strike instead of a voluntary negotiated settlement.

The decision to enact wage restraint legislation was made well before

consultation had occurred

- On November 21, 2016, the Defendant gave the Speech from the Throne which promised a return to balanced budgets without deficits, and also promised that legislation would be introduced respecting public sector wage costs, following a process of "consultation and dialogue."
- 55. The only "consultation and dialogue" process set up to discuss public sector compensation costs and wage restraint legislation was through the Fiscal Working Group discussed below, which first met on February 10, 2017.
- The Defendant was required to engage in a process of timely, good faith collective bargaining to renew collective agreements with the Plaintiff Unions representing its own employees, and to respect the process of timely, good faith collective bargaining between the Plaintiff Unions and other employers, before deciding to enact, or enacting, legislation to restrain public sector compensation costs.
- 57. A process of "consultation and dialogue" between unions and the Defendant is not a constitutionally adequate substitute for the process of timely, good faith collective bargaining between unions and employers, at all or in the circumstances of this claim.
- 58. In the alternative, the Defendant was required to engage in a process of good

faith negotiation and meaningful consultation with the Plaintiff Unions prior to enacting the PSSA.

- 59. The Defendant violated s. 2(d) of the *Charter* by:
 - (a) deciding to use legislated measures instead of a process of timely, good faith collective bargaining between unions and employers to attempt to control public sector compensation costs;
 - (b) substituting a "consultation and dialogue" process with the Fiscal Working

 Group for the process of timely, good faith collective bargaining between

 unions and employers about public sector compensation costs; and
 - (c) creating a "consultation and dialogue" process with the Fiscal Working Group that was not meaningful for reasons which include, *inter alia*, that the Defendant had decided, even before consultation with the Fiscal Working Group commenced, that it would resort to using legislated measures instead of trying to reach a negotiated solution.

Failure to engage in a Meaningful process of "Consultation and Dialogue" with the Fiscal Working Group

60. On December 5, 2016, Mr. Irving called Kevin Rebeck, President of the MFL, to request a meeting to discuss the "financial challenges" facing the Defendant.

- A group of labour representatives met with the Defendant's representatives on January 5, 2017. At Mr. Irving's request, labour participation at the January 5 meeting was limited to only 6 labour groups. The following labour groups sent representatives to the meeting: MFL, MGEU, CUPE, MTS, MAHCP and UFCW. The Defendant's representatives at the meeting included the Honourable Cameron Friesen, Minister of Finance, Mr. Irving and Mr. Stevenson.
- 62. The Defendant's representatives reviewed a PowerPoint presentation entitled "Financial Presentation" about the fiscal position of the Province. Minister Friesen stated that the Defendant was looking for unions to provide input on wage legislation, which he referred to as a "tool." He said that the deadline for passing legislation was the spring legislative session. The parties agreed to set up working group, which became known as the Fiscal Working Group.
- Other than the Defendant) participated in the Fiscal Working Group was: the MFL, MGEU, CUPE, MTS, MAHCP, UFCW, MNU, UNIFOR, OEM, PSAC, and UMFA. No employers (other than the Defendant) participated in the Fiscal Working Group.
- The Fiscal Working Group met 4 times between February 10, 2017 and March 9, 2017. Mr. Rebeck and Mr. Irving also exchanged several letters and emails. The Minister of Finance did not attend any of the Fiscal Working Group meetings, nor did any other member of Executive Council. Mr. Irving spoke on behalf of the Defendant at Fiscal Working Group meetings.

- 65. At the Fiscal Working Group's first meeting on February 10, 2017, the MFL provided the Defendant a document entitled "Addressing Manitoba's Fiscal Imbalance", which was a response to the Defendant's January 5, 2017 "Financial Presentation" document. "Addressing Manitoba's Fiscal Imbalance" affirmed the MFL's agreement with the Defendant's goal, as first set out in Budget 2016 released in April of 2016, of returning to a balanced budget over an 8 year period, in a manner that protected front line public services. "Addressing Manitoba's Fiscal Imbalance" presented a model for returning to a balanced budget over an 8 year period, and suggested various options for responding to the province's fiscal imbalance, including forming a working group with union representatives to examine opportunities to reduce overtime wage costs within the public sector.
- Although the Fiscal Working Group was initially advised that the Defendant would consider "Addressing Manitoba's Fiscal Imbalance," and that the Defendant could accept all, some, or none of the proposals it contained, the Defendant did not ultimately provide a response to the proposal. Mr. Irving advised the Fiscal Working Group that the Defendant was not prepared to discuss details about the proposal made by the labour representatives.
- 67. Mr. Rebeck made several requests for relevant financial information from the Defendant, including:

- (a) information about the Defendant's goals for public sector compensation savings and over what period of time;
- (b) information about what savings target the Fiscal Working Group was being asked to try to meet;
- (c) information about the Province's current fiscal situation;
- (d) clarification about discrepancies in labour cost figures contained in the Defendant's "Financial Presentation" document, compared to statements the Minister of Finance had made in the media;
- (e) information about Budget 2017, including targeted expenditures for the province and expenditure targets given to public sector employers such as School Boards, Crown Corporations, and Regional Health Authorities; and
- (f) information about the Province's longer term fiscal plan and targets, including whether the Defendant still intended to return to a balanced budget over 8 years, or a different time period.
- 68. Mr. Irving advised that the Defendant had not set a target for public sector compensation savings, and no information about wage costs or savings targets for any other public sector employer was provided to the Fiscal Working Group.

 Mr. Irving confirmed that budget deliberations for Budget 2017 were underway,

but that budget deliberations would not be shared with the Fiscal Working Group before the Budget was tabled on April 11, 2017. The Defendant did not provide the additional financial information Mr. Rebeck had requested. The Defendant wanted discussions to be focused on wage legislation, not the province's finances.

- 69. Mr. Rebeck made several requests for information about wage legislation being contemplated by the Defendant, including:
 - (a) seeking confirmation as to whether drafting was underway;
 - (b) requesting to see a draft;
 - (c) requesting information about the scope of any intended legislation; including to whom it would apply; and
 - (d) requesting information about the content of legislation, such as whether employers would be required to bargain within "ability to pay", or whether wage settlements would instead be mandated.
- 70. The Defendant did not provide any answers about the content of legislation it was contemplating, and did not share a draft of legislation with the Fiscal Working Group.

- 71. In the absence of providing the Fiscal Working Group with relevant financial information, and information about the content of the legislation the Defendant was contemplating, the Defendant asked the Fiscal Working Group to provide "input" on potential components of wage legislation such as the scope of legislation (whether it should apply to all or part of the public sector), re-opening of collective agreements, extension of collective agreements, mandated wage settlements, merit increases, pensions, reduced work weeks, and offsets for efficiencies.
- 72. The position of the Plaintiff Unions represented on the Fiscal Working Group was that:
 - (a) public sector compensation savings could be, and should be, achieved through a process of collective bargaining between individual unions and employers;
 - (b) finding efficiencies and savings in public sector compensation required input from public sector employers, and should properly be the subject of collective bargaining between public sector unions and the relevant employers;
 - (c) a one-size fits all cost-saving component of legislation would not work across the entire public sector;

- (d) it would be premature, heavy handed and unnecessary to pass legislation;
- (e) the Defendant ought to provide its response to "Addressing Manitoba's Fiscal Imbalance" and provide the financial information Mr. Rebeck had requested, so that the labour representatives could better understand the fiscal situation and understand why legislation was viewed as a necessary response; and
- (f) if government had already drafted legislation, it should provide a draft to the Fiscal Working Group for specific comment.
- 73. In response to the Plaintiffs' position that compensation efficiencies should be the subject of collective bargaining between unions and employers, the Defendant's position was that collective bargaining does not always work, and that the unions could not be counted on to bargain in good faith.
- 74. On March 2, 2017, Mr. Rebeck asked Mr. Irving to confirm media reports that the Defendant intended to introduce a public sector compensation Bill before March 20, and repeated the request to see a draft of the Bill.
- 75. The Fiscal Working Group met on March 9, 2017, but was not provided a draft of any legislation, notwithstanding that on March 20, 2017, the Minister of Finance introduced Bill 28 The Public Services Sustainability Act ("Bill 28") in the

legislature. None of the specific content of Bill 28, including the statutory wage settlements contained in s. 12, was discussed with the Fiscal Working Group at any time.

- 76. After the March 9 meeting, the parties agreed that the next meeting of the Fiscal Working Group would be scheduled after Budget 2017 was tabled, which occurred on April 11, 2017. This was, in part, due to Mr. Irving's representation that the Budget would answer a number of the questions posed by the labour representatives in the Group.
- 77. Budget 2017 does not, on its face, disclose information about the fiscal impact of the Bill 28 on governmental expenditures or the deficit. On April 11, 2017, Minister Friesen told the media that Bill 28 "is not a measure that drops a number on the table" and that he had not calculated, nor would he venture an estimate, on the impact of the wage controls in Bill 28 on Budget 2017.
- 78. The Fiscal Working Group's next scheduled meeting was on April 21, 2017. On April 19, 2017, Mr. Rebeck wrote to Mr. Irving to ask various questions about Budget 2017, including:
 - (a) requesting an explanation about the public sector wage cost figures contained in Budget 2017;
 - (b) asking whether the Defendant could now provide a fiscal savings target for

the Fiscal Working Group to try to achieve, and over what period of time; and

- (c) asking how much the Defendant targeted to save by bypassing collective bargaining and legislating wage freezes and wage caps.
- 79. Mr. Rebeck's April 19 letter also requested a complete list of public sector workplaces and unions affected by Bill 28.
- 80. The Defendant did not reply to Mr. Rebeck's April 19 letter. The same day, Mr. Irving cancelled the Fiscal Working Group's meeting scheduled for April 21 and did not reschedule the meeting.
- 81. The PSSA was passed on June 1, 2017, and received Royal Assent on June 2, 2017, without any amendments.
- 82. The Defendant failed to engage in good faith negotiation and meaningful consultation with the Plaintiff Unions who participated in the Fiscal Working Group thereby violating s. 2(d) of the *Charter*, particulars of which include the following:
 - (a) Neither Minister Friesen nor any other decision makers in government participated in the Fiscal Working Group. Mr. Irving was not a decision maker, and did not have relevant information about budget deliberations,

fiscal planning, or the content of draft wage legislation. Requests by the Plaintiff Unions in the Fiscal Working Group that the Minister of Finance participate in the group were ignored.

- (b) The Defendant remained intransigent in its position that legislation was necessary to achieve cost efficiencies.
- (c) The Defendant's intransigence was premised on an unjustified, false and insulting presumption that collective bargaining between unions and individual employers would not be a workable means of finding efficiencies in the budget, because unions could not be counted on to bargain in good faith.
- (d) The Defendant was unwilling to consider the positions advanced by the union representatives in the Fiscal Working Group that efficiencies could be achieved through collective bargaining between unions and employers, and refused to engage in meaningful discussion of alternatives to legislation.
- (e) The Defendant failed or refused to provide the Fiscal Working Group with relevant and necessary information about the Defendant's savings target for public sector wages, and over what time.
- (f) The Defendant failed or refused to provide the Fiscal Working Group with

relevant information about the Province's finances, expenditures, and budget, its longer term fiscal planning, or to provide that information about public sector employers.

- (g) The Defendant failed or refused to reply to the MFL's "Addressing Manitoba's Fiscal Imbalance" proposal, and engage in meaningful dialogue about suggestions the MFL had made.
- (h) The Defendant failed or refused to provide satisfactory answers to information provided to the Fiscal Working Group which conflicted with statements made by the Minister of Finance and the Premier of the Province in the media, about the Province's labour costs and the status of draft wage legislation.
- (i) The Defendant failed or refused to provide information about the content of legislation that was being contemplated, or provide a draft of Bill 28 to the Fiscal Working Group.
- (j) Labour representatives in the Fiscal Working Group were denied access to the information necessary to provide meaningful input on the Province's fiscal situation, or to provide meaningful input on wage legislation and alternative measures available to reduce compensation costs.
- 83. The Defendant did not engage in a process of good faith negotiation and

meaningful consultation with the Fiscal Working Group, and in any event, the PSSA was passed without an impasse having been reached in discussions.

84. The Defendant was required to adhere to the highest standard of good faith in engaging in a fulsome and meaningful consultation and negotiation process with the Fiscal Working Group. There is no financial crisis or situation of economic exigency currently facing the Province of Manitoba that would reduce this process from meeting the highest standards.

Failing to Engage in any Consultation with Public Sector Unions who were not asked to participate in the Fiscal Working Group

- 85. The broad scope of Bill 28 affected employees who are members of unions that were not in the Fiscal Working Group, including, amongst the Plaintiff Unions: IBEW locals 2034, 2085, and 435, UWFA, UNIFOR, UA, USW, AESES, LALA, TEAMSTERS, and WAPSO.
- 86. The Defendant did not engage in any consultation or dialogue with these Plaintiff Unions, who represent approximately 10,000 working people, about the PSSA, and therefore violated s. 2(d) of the *Charter*.
- 87. The Defendant was required to adhere to the highest standard of good faith in engaging in a fulsome and meaningful consultation and negotiation process with the Plaintiff Unions who did not participate in the Fiscal Working Group. There is

no financial crisis or situation of economic exigency currently facing the Province of Manitoba that would reduce this standard to allow the Defendant to bypass a consultation process with these Plaintiff Unions altogether.

The Public Services Sustainability Act substantially interferes with the process of good faith collective bargaining

- 88. The PSSA was passed on June 1, received Royal Assent on June 2, 2017, and will come into force on a date to be fixed by proclamation (s. 31).
- 89. The PSSA applies broadly to public sector employees including workers employed by:
 - the Defendant,
 - various government agencies,
 - health organizations,
 - organizations prescribed as a reporting organization under The Financial
 Administration Act,
 - authorities and agencies as defined in *The Child and Family Services*Authorities Act,
 - the University of Manitoba, University of Winnipeg, Brandon University,

- Universite de Saint-Boniface, and University College of the North,
- the Manitoba Institute of Trades and Technology, public school divisions and school districts,
- and any other employer designated by regulation.
- 90. No regulations identifying other employers have been promulgated under the PSSA.
- 91. Sections 9 through 15 of the PSSA apply to employees who are represented by a bargaining agent. The Plaintiff Unions, or in some cases their locals, are bargaining agents for employees to whom the PSSA applies.
- 92. Section 9 of the PSSA imposes a four year "Sustainability Period" which commences on the expiry of any collective agreement or interest arbitration decision that was in effect on March 20, 2017. If there is no collective agreement in effect on March 20, 2017, then the Sustainability Period commences on the day the first collective agreement will take effect.
- 93. The following Plaintiff Unions have bargaining units that are currently in bargaining for renewal of a collective agreement within the "Sustainability Period" set out in the PSSA: CUPE, OEM, MGEU, MNU, PIPSC, PSAC, UFCW, UMFA, UNIFOR and USW.
- 94. Section 11 of the PSSA prohibits a collective agreement or interest arbitration

decision from restructuring rates of pay in a collective agreement during the Sustainability Period.

- 95. Section 12 of the PSSA imposes maximum allowable annual increases (hereinafter "statutory wage settlements") to rates of pay during the Sustainability Period, as follows:
 - (a) 0% in the first 12-month period;
 - (b) 0% in the second 12-month period;
 - (c) 0.75% in the third 12-month period; and
 - (d) 1.0% in the fourth 12-month period;
- 96. Section 12 of the PSSA prohibits a collective agreement or interest arbitration decision from imposing greater wage increases than the statutory wage settlements.
- 97. Section 13 of the PSSA addresses "Additional Remuneration", which is defined in s. 2 of the Act as an allowance, premium, bonus, or benefit of any kind payable to an employee. The PSSA prohibits increases to Additional Remuneration in a collective agreement or by interest arbitration award during the Sustainability Period, unless the Additional Remuneration is funded in a cost neutral way through savings on wage increases that are lower than the statutory wage settlements. Any such Additional Remuneration in a collective agreement or interest arbitration award must be approved by the Treasury Board.

- 98. Section 14 of the PSSA states that if a collective agreement provides for "negotiated sustainability savings" during the Sustainability Period, which is defined as ongoing reduction of expenditures agreed to in a collective agreement that reduce or avoid costs, a portion of those savings may be used to increase the compensation allowed by the Act in the final 24 month period of the Sustainability Period, with the approval of the Treasury Board. Treasury Board has sole discretion to approve or deny such negotiated increases to compensation.
- 99. Section 15 of the PSSA states that if any collective agreement or interest arbitration decision provides for restructuring of rates of pay contrary to s. 11 of the PSSA, increases in rates of pay contrary to s. 12 of the Act, or Additional Remuneration contrary to s. 13 during the Sustainability Period, the collective agreement provision or arbitral decision is of no force and effect, deemed never to have taken effect, and the parties are deemed to have agreed to maximum increases in compensation permitted by the Act.
- 100. Section 27 of the PSSA states that where there is conflict between the PSSA and any other act or regulation, the PSSA prevails to the extent of the conflict. The Act therefore prevails over the LRA which otherwise governs the conduct of collective bargaining between unions and employers, including:
 - setting the timelines for when notice to bargain may be given by either

party (ss. 60 and 61 of the LRA);

- imposing the obligation of parties to a collective agreement to bargain collectively in good faith with one another and make every reasonable effort to conclude a collective agreement, after timely notice to bargain has been provided (s. 62 and 63 of the LRA); and
- providing an Unfair Labour Practice complaint process for resolving disputes about conduct during collective bargaining between the parties (s. 26 of the LRA).
- 101. The PSSA also takes precedence over the binding arbitration provisions available to members of MTS and Public School Divisions and Districts under *The Public Schools Act*.
- 102. Section 28 of the PSSA states that any amounts paid, including amounts paid before the PSSA comes into force, to any person in excess of amounts that should have been paid as a result of the PSSA, are a debt due to the Employer (in cases of excess rates of pay) or to the government in any other case.
- 103. The PSSA creates a wage mandate for public sector employers to follow, even while proclamation is pending. As such, in both purpose and effect, it substantially interferes with the process of collective bargaining and undermines the ability of the Plaintiff Unions to represent their members, including in current and upcoming collective bargaining, contrary to s. 2(d) of the *Charter* as set out below.

- 104. While public sector wages and Additional Remuneration are to be frozen and capped under the PSSA, Budget 2017 also includes several measures to reduce revenue and increase the deficit. It affirms the government's commitment to remove the 1% increase to the Provincial Sales Tax, which reduces revenue to the Province. Budget 2017 also indexes personal income tax brackets and the basic personal amount to inflation, which reduces revenue to the Province. The Budget also significantly increases contributions to the Fiscal Stabilization Fund (the "rainy day fund"), which adds to the deficit. The PSSA and Budget 2017 place the burden of budget cuts disproportionately on public sector workers, as opposed to Manitobans generally.
- 105. The PSSA violates s. 2(d) of the *Charter*, particulars of which include the following:
 - (a) The PSSA was enacted without having first used a process of timely, good faith collective bargaining between unions and employers to negotiate public sector compensation costs.
 - (b) The PSSA was enacted without the Defendant having engaged in good faith negotiations and meaningful consultation between the Defendant and the Plaintiff Unions that participated in the Fiscal Working Group, as set out above.

- (c)The PSSA was enacted without the Defendant having reached an impasse in good faith negotiations and meaningful consultation with the Plaintiff members of the Fiscal Working Group, as set out above.
- (d) The PSSA was enacted without the Defendant having engaged in any form of consultation or negotiation with the Plaintiff Unions referred to in paragraph 84.
- (e) The PSSA allows the Defendant to unilaterally pre-determine the framework for collective bargaining during the Sustainability Period by unilaterally pre-determining collective agreement terms and terms and conditions of employment, which terms are central to the process of good faith collective bargaining.
- (f) The PSSA unilaterally removes the ability of the Plaintiff Unions to engage in a process of good faith collective bargaining with the Defendant and with other public sector employers with whom they have collective agreements, about wages and benefits payable to employees during the Sustainability Period.
- (g) The PSSA unilaterally removes the obligation of the Defendant and other public sector employers to whom the PSSA applies, to engage in a process of good faith collective bargaining about wages and benefits payable to employees during the Sustainability Period, and thereby also

removes recourse available to the parties for a failure to engage in a process of good faith collective bargaining.

- (h) The PSSA unilaterally nullifies any collective agreement terms during the Sustainability Period that may be voluntarily negotiated through a process of good faith collective bargaining or settled through a process of interest arbitration, and unilaterally creates a debt owing to the employer or the Defendant.
- (i) The PSSA unilaterally and significantly undermines the process of good faith collective bargaining, and unilaterally overrides current collective agreement terms regarding when notice to commence bargaining to renew a collective agreement occurs, by pre-determining collective agreement terms on future wages and Additional Remuneration during the Sustainability Period, for collective agreements which are currently in force and where notice to bargain a collective agreement during the Sustainability Period has not yet been given.
- (j) The PSSA terms in ss. 9-15, including the statutory wage settlements and freeze on Additional Remuneration, do not reflect the outcome of a free and voluntary process of good faith collective bargaining between employers to whom the Act applies and Plaintiff Unions in the public sector.

- (k)The PSSA terms in ss. 9-15, including the statutory wage settlements and freeze on additional remuneration during floating four-year Sustainability Periods, are arbitrarily determined.
- (I) The PSSA unilaterally and significantly undermines the process of good faith collective bargaining during the Sustainability Period, and allows the Defendant to unilaterally nullify collective agreement terms reached by a process of good faith collective bargaining, by giving the Treasury Board the sole discretion to approve or deny wage increases or additional remuneration under ss. 13 and 14.
- (m) The PSSA unilaterally undermines the process of good faith collective bargaining during the Sustainability Period, and allows the Defendant to unilaterally nullify collective agreement terms reached by a process of good faith collective bargaining, by precluding the parties to a collective agreement from restructuring rates of pay.
- (n) The PSSA unilaterally undermines the process of good faith collective bargaining during the Sustainability Period by unilaterally removing wages and benefits from the process of collective bargaining, thereby significantly narrowing the range of workplace goals available to be advanced through a process of collective bargaining.
- (o) All of the above unilaterally undermines the process of good faith collective

bargaining by disrupting the balance in collective bargaining positions held between employees collectively represented by the Plaintiff Unions, and their respective employers, to the detriment of employees.

(p) The above violations of s. 2(d) have the effect of sending a message to employees that the process of engaging in collective bargaining through their unions about shared workplace goals is futile, particularly when unions are precluded from engaging in collective bargaining about terms and conditions of employment with monetary value. This message adversely impacts the relationship between the Plaintiff Unions and their members, and diminishes the credibility of the Plaintiff Unions in the eyes of their members.

Section 7 of the Charter

- 106. Section 7 of the *Charter* guarantees the right to life, liberty and the security of the person and the right not to be deprived thereof except in accordance with the principles of fundamental justice.
- 107. The liberty and security of the person components of section 7 include the associational freedoms guaranteed by s. 2(d) of the *Charter*. Section 7 also protects employees' interest in not being forced to work under terms and conditions of employment which are coerced, dictated and imposed by the state.

- 108. The PSSA breaches the liberty and security of the person of affected employees by violating their s. 2(d) rights and by forcing them to work under terms and conditions of employment which were coerced, dictated and imposed by the state.
- 109. The deprivations of liberty and security of the person caused by the PSSA are not in accordance with the principles of fundamental justice. The Defendant failed to use and exhaust the process of timely, good faith collective bargaining between unions and employers covered by the PSSA to achieve its public sector compensation goals, before enacting the PSSA. It also failed to engage in good faith negotiations and meaningful consultation with the Plaintiff Unions about the PSSA prior to enacting it. The PSSA's terms are arbitrary, overbroad, and/or grossly disproportionate.

Section 1 of the Charter

110. The Defendant's violations of s. 2(d) and s. 7 of the *Charter* are not saved by s.1 of the *Charter*.

International Law

111. International legal obligations and customary and conventional international law include: Universal Declaration of Human Rights; International Covenant on Civil and Political Rights, 19 December 1966, 999 U.N.T.S. 171, arts. 9-14, Can. T.S.

1976 No. 47, 6 I.L.M. 368; International Covenant on Economic, Social and Cultural Rights, International Labour Organization Freedom of Association and Protection of the Right to Organize, 1948 (No. 87); International Labour Organization Declaration on Fundamental Principles and Rights at Work (1998); International Labour Organization Right to Organize and Collective Bargaining Convention, 1949 (No. 98); International Labour Organization Public Service Convention (No. 151); and International Labour Organization Collective Bargaining Convention, 1981 (No. 154).

- 112. The above international legal obligations and customary and conventional international legal standards oblige governments to respect, promote and realize, through legislation and policy, the principles of freedom of association of employees and unions, including the process of free and fair collective bargaining.
- 113. The Defendant's conduct as outlined in paragraphs 53, 56, 79 and 102 above:
 - (a) fails to comply with international law and conventions, and standards set out therein;
 - (b) fails to meet the standards of the international human rights treaties that Canada has ratified;
 - (c) erodes the rights of unions and workers in Manitoba and, as a

consequence, the labour relations system in Manitoba does not provide the same level of protection to employees as is found in international law and conventions.

114. As a result of the foregoing, the Plaintiffs therefore request the relief claimed in paragraph 1 herein.

July 4, 2017

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