

MGEU

Pre-Budget Submission 2023

Manitoba Government and
General Employees' Union

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CONTENTS

INTRODUCTION 3

CIVIL SERVICE IN CRISIS 3

PROTECT PUBLIC HEALTHCARE 5

PUBLIC EDUCATION – SUPPORTING OUR ECONOMY 6

SOCIAL SERVICES – CARING FOR MANITOBANS 7

KEEPING CROWNS AND AGENCIES PUBLIC 7

KEEP SERVICES PUBLIC 9

INVESTING IN PUBLIC SERVICES 10

CONCLUSION 10

INTRODUCTION

We are pleased to submit recommendations for the 2023 Provincial budget on behalf of the 30,000 members of the Manitoba Government and General Employees' Union (MGEU).

MGEU members provide services in all areas of the public sector including government services, at Crown corporations, in healthcare, education, child welfare, and social service agencies. The services our members provide are invaluable to ensuring our Province remains a great place to live – where we place the highest value in caring for our fellow community members and building Manitoba together.

When disaster strikes – whether it be in the form of a flood, a forest fire, a winter storm, or a global pandemic – public employees are there when Manitobans need them most to get things back on track. Now it's time for this government to support these workers.

This year's submission will focus on the many public services that have been put at risk through underfunding, cuts, and privatization. Our priorities come from the unique perspectives of the front-line workers who provide services to Manitobans every day of the year and look forward to having our priorities reflected in the 2023 budget.

CIVIL SERVICE IN CRISIS

Manitoba has a history of prudent and stable government with strong public sector leadership and a well-trained and professional public service. After years of neglect, this immeasurable asset is in a state of crisis. Aggressive vacancy management, under-resourcing across all departments, and a failure to do enough to attract new talent has depleted the ranks. The government's shortsighted preoccupation with cutting jobs has led to a shortage of staff, reduced planning capacity, and a loss of institutional knowledge.

Our government and Manitobans are well served by civil servants and public sector workers. Too often, their contributions are taken for granted. We know they are critical if we are to succeed in fulfilling our priorities, implementing our programs, and achieving our vision for the benefit of all Manitobans. We will recruit and retain the best possible talent to continue to serve Manitoba.
– Throne Speech, 2021

We were encouraged when Premier Stefanson's first Speech from the Throne stated,

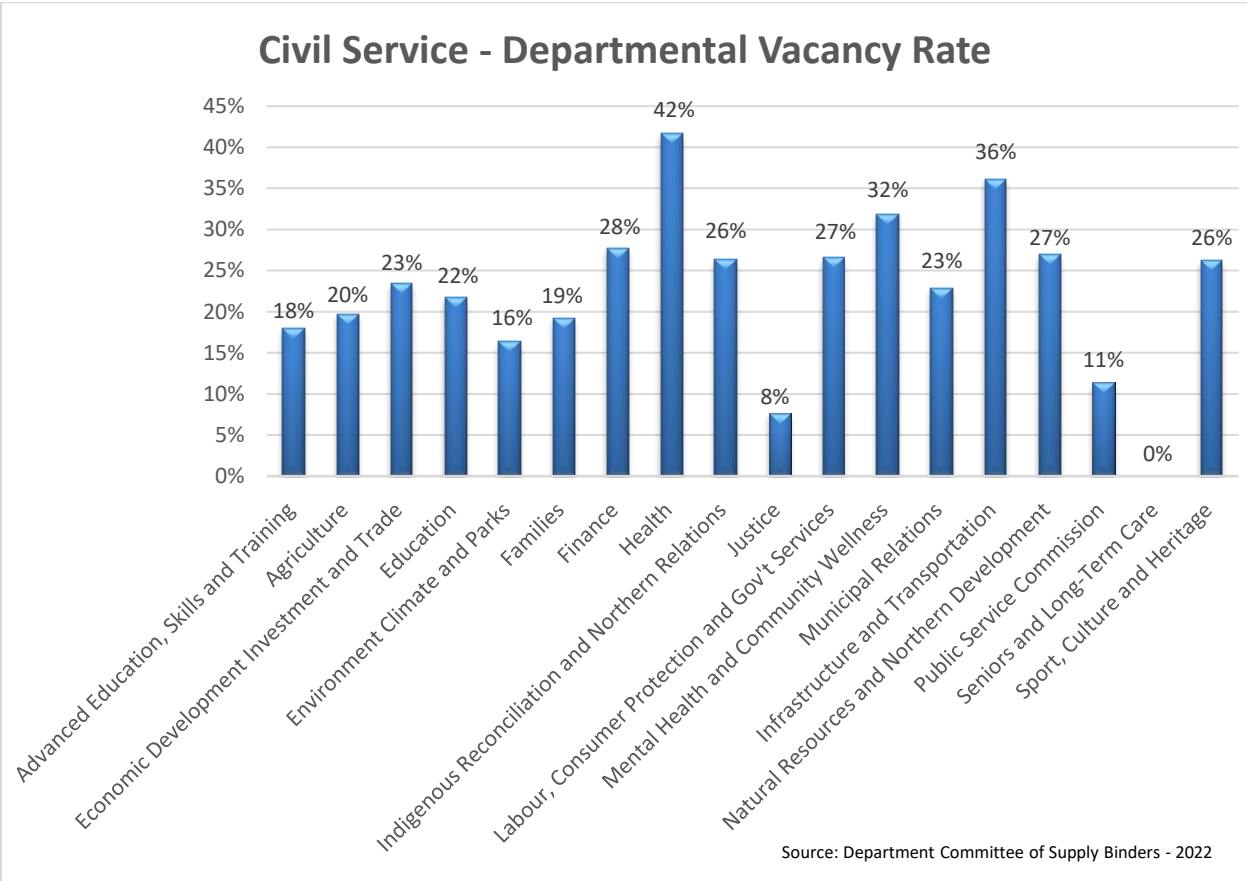
"Our government and Manitobans are well served by civil servants and public sector workers. Too often, their contributions are taken for granted. We know they are critical if we are to succeed in fulfilling our priorities, implementing our programs, and achieving our vision for the benefit of all Manitobans. We will recruit and retain the best possible talent to continue to serve Manitoba."

However, the government has not backed up its words with action as staff shortages surge across the Civil Service. Recently-released government documents show that the vacancy rate in the Department of Health is over 40 percent and many other departments have vacancy rates between 20-30 percent.

In the Department of Health, a microcosm of the issue across the civil service, remuneration for many professional job designations within government is behind other comparable organizations. At the same time, most government health staff are working excessive overtime without full compensation, which has led to burnout and accelerated attrition. Unsurprisingly, this situation has led to dire recruitment and retention problems exacerbated by the inability for the Public Service Commission to fill vacant positions in a timely manner. Postings regularly take eight months to advertise and fill, and a one-year turnaround is not infrequent. With remaining veteran staff bogged down with excessive workloads, new staff are no longer being trained or mentored effectively.

This understaffing has hollowed out the civil service and impacted the services Manitobans rely on. For example...

- A recent Auditor General's report called out the government for a lack of accounting oversight on expenditures – resulting from vacancies in the accounting classifications across government.
- The ongoing inability to recruit Public Health Inspectors means that inspections won't get done in restaurants or public pools.
- In June 2021, CBC reported on Conservation Officer recruitment and retention issues, *"A projected exodus of conservation officers in the next few years is poised to deplete Manitoba's ranks, putting more pressure on officers who work longer hours but are paid significantly less than their counterparts in other Canadian provinces."*
- According to Barrier-Free MB, "The Disability Issues Office is inadequately staffed and resourced to meet current responsibilities, which will expand as implementation proceeds."



These are just a few examples of ongoing staffing issues our members have shared in recent years. The crisis in the civil service must be met with a sustained and aggressive recruitment and retention strategy to rebuild departments and restore the stable and effective public service Manitobans deserve.

PROTECT PUBLIC HEALTHCARE

The MGEU represents more than 8,600 workers in Manitoba’s healthcare network. We have a unique perspective on what’s working and what’s not!

The forgotten members of our healthcare system are those who ensure vulnerable Manitobans receive the health care they need and deserve. They work in personal care homes, hospitals, and in the community, supporting seniors to live with dignity and respect.

As our population ages, it is critical that services keep up with the demand as more Manitobans require more care. However, we are in the midst of a staffing crisis as wages lag behind the rising cost of living, working conditions worsen, and recruitment and retention strategies are delayed for a large segment of healthcare workers.

The failure to fully staff health services has resulted in escalating use of private for-profit agency workers to fill in the gaps. Our concern is that replacement workers are more expensive and do not have the site or client-specific knowledge that a permanent employee has, which impacts the quality of care.

MGEU members working in health care have stepped up amidst very challenging working conditions in recent years. Chronic understaffing was an issue prior to the COVID-19 pandemic and has hit crisis levels as outbreaks and illness have taken its toll on these dedicated workers.

We urge the government to fast track a public healthcare recruitment and retention strategy for the entire healthcare team, not just nurses and doctors, to restore wages, working conditions, and make healthcare an attractive career for both workers in the system and those considering a career in healthcare.

PUBLIC EDUCATION – SUPPORTING OUR ECONOMY

The MGEU represents members in education including: educational assistants, library technicians, administrative assistants, professors, instructors, custodial, and food services staff at Red River College (RRC), Assiniboine Community College (ACC), Université de St. Boniface (USB), University College of the North (UCN), Brandon University, Seine River School Division, and Duke of Marlborough School.

Post-secondary institutions educate and train tomorrow's workforce to ensure they are job ready. Grants to colleges and universities have been cut in consecutive provincial budgets, forcing institutions to hike tuition fees and cut costs. Rather than adequately fund post-secondary institutions, the government is considering performance-based funding models. These models tie funding to graduation rates, which incentivizes administration to select students with the best chances of graduating quickly- raising barriers to entry for students many of which are from low-income or ethnic and racial backgrounds.

Education support workers in the K-12 school system provide vital services to students who require additional support, support literacy through library services, and keep schools running. Because public education funding levels have not kept up with inflation or the cost to provide quality education, the first place administrators look to cut is in the support sector. This means the students won't get the support they need during critical learning years.

We call on the government to abandon plans to force performance-based funding on institutions and restore funding to Colleges and Universities that keep up with the cost of

providing quality education and adequate, equitable and stable funding to support student learning in the public school system.

SOCIAL SERVICES – CARING FOR MANITOBANS

Community agencies deliver invaluable services to support Manitoba’s most vulnerable – caring for people living with disabilities; meeting the needs of families and youth in crisis; helping those without stable housing; and providing mental health and addictions supports. These agencies operate on shoestring budgets, affecting the level of service they are able to provide.



We have heard ongoing concerns from members working in Child and Family Services whose caseloads are unsustainable and funding is not keeping up with demand. This view was substantiated in a recent report by the Manitoba Advocate for Children and Youth who indicated that funding to maintain a caseload ratio of 20 cases per worker and increasing family enhancement funds, as recommended in the Phoenix Sinclair Inquiry, had not been fulfilled by government.

Members consistently report that working short, high staff turnover, and limited training opportunities are common problems in this sector.

We propose that the government move to a stable and predictable funding model that would allow them to stabilize the workforce.

We recommend that the government permanently increase funding to these service providers to improve recruitment and retention, resulting in better services to vulnerable Manitobans.

KEEPING CROWNS AND AGENCIES PUBLIC

Manitobans know that Crown corporations act in the public interest to provide services and revenue to the province. Whether providing auto insurance at Manitoba Public Insurance (MPI) or liquor sales and distribution through Manitoba Liquor and Lotteries (MBLL) our Crowns provide affordable rates, family-supporting jobs, and keep profits here in Manitoba.

Decisions made by this Government in recent years have put the long-term viability of our shared assets at risk.

The re-introduction of liquor privatization legislation, this time in the form of Bill 9, enables all types of liquor to be sold at beer vendors and agency stores across the province, while putting our balanced liquor sales and distribution model at risk. Liquor sales contributed over \$316 million in profits last year to the Province of Manitoba to support critical public services like healthcare, education, and infrastructure.



Recent news from the Public Utilities Board (PUB), which oversees rate changes at Manitoba’s Crown corporations, indicated that the most recent auto insurance rate increase was related to escalating costs for Project Nova. This project is a “top-to-bottom” overhaul of MPI’s technology platform that would enable online sales and replace outdated software.

When it came time to make these changes, MPI and the government chose to manage the project using outside consultants as opposed to project managing this initiative in-house. The path chosen by MPI and the Manitoba Government has resulted in massive cost overruns and an inability to control those costs and manage the project. The overuse of external consultants is a long-standing issue at MPI. The PUB has been ordering MPI to limit the use of consultants since 2014 to keep costs down and build internal capacity. In 2018, the PUB wrote, “The Board finds that the Corporation continues to rely much more heavily on consultants than do its peers in the area of IT.”

We have learned over many years that front-line workers know their jobs best, and should be meaningfully listened to before changes are made. This so often leads to being penny wise and pound foolish, and almost always results in greater costs.

We call on this government to abandon plans to privatize liquor sales and launch an urgent review of contracting out at MPI to ensure our Crown corporations are managed effectively for the benefit of all Manitobans.

KEEP SERVICES PUBLIC

We know that quality public services are essential to a high standard of living and privatization puts these services at risk. Privatization can take many forms including: Contracting Out, Public Private Partnerships (P3s), Social Impact Bonds (SIBs), Asset Sales, and reliance on user fees. The consequences when profit is prioritized ahead of the public interest is a loss of accountability and democratic control, higher costs, lower quality and reduced access.

Our members report more services have been contracted out in recent years to the detriment of service quality:

- Provincial parks are now “open for business” as outlined in the recently released report by MNP that focuses on rising user fees and allowing more private for-profit amenities within our protected parks and natural areas.
- Infrastructure road maintenance has been contracted out resulting in local job loss and inconsistent quality standards in line painting and snow clearing throughout Manitoba.
- Heavy equipment maintenance done by Vehicle and Equipment Management Agency (VEMA) mechanics is being contracted out to for-profit shops at a higher cost.
- Housing complexes have been sold off to private investors and management of public housing units has been contracted out.
- Healthcare support services in hospitals, personal care homes, and in home care are increasingly reliant on agency staff to fill open shifts, patching together a temporary workforce unfamiliar with the patients and residents they care for.
- Surgeries and diagnostic procedures are being contracted out to private clinics, diverting public dollars to private profits. Lessons from other jurisdictions where they have introduced more privatization show that capacity fails to increase as healthcare workers are poached by the private system, compounding the staffing shortages in the public system.

The move to private provision of services has been pushed by numerous reports authored by multi-national consultants who have perpetuated the myth that privatization produces better results. Beginning with the KPMG fiscal review of government expenditures, PwC imbedded in the Department of Infrastructure, a group of firms leading Project Nova at MPI, this government has spent millions and millions of dollars to justify their privatization agenda.

We demand the government stop privatization in all forms and invest in public services to ensure accountability, transparency, and high quality services that support all Manitobans.

INVESTING IN PUBLIC SERVICES

After years of cuts and privatization, Manitobans are seeing first-hand the destructive reality of this government's austerity agenda. Cuts to public services, fueled by this government's unaffordable tax cuts have weakened our public services, particularly our provincial civil service, to the breaking point. The only way forward is to put an end to the cuts and invest in public services in the next budget.

A recent poll released by CCPA Manitoba confirms that the majority of Manitobans would rather the government spend money on public services instead of continuing to provide tax cuts the province can't afford. It found that most Manitobans (58%) would nix the provincial school-tax rebates, which have already short-changed public education funding by millions.

Provincial governments across Canada have been calling for increased health transfers from the Federal Government. The reality is that Federal transfers to Manitoba are at a historical high, yet the Manitoba Government refuses to invest revenues in public services – reverting to short-sighted tax cuts instead. Cumulative tax cuts since 2016 are estimated at over 1 billion dollars per year in foregone tax revenue that could be used to address funding shortfalls in all service areas.

We recommend putting a stop to unaffordable tax cuts and investing in the people who provide public services.

CONCLUSION

Strong public services keep our communities together. The success of our province relies on quality public services. But without focused attention on recruitment and retention, our public services will continue to suffer. By investing in public services now, we can ensure the people who provide our services are treated with the fairness and respect they deserve, while making life better for all Manitobans.

We call on the Manitoba Government to reverse course on their agenda of cuts and privatization by investing in public services.

We appreciate the opportunity to discuss our proposals and hope to see them reflected in the 2023 budget.