



Saskatchewan Government and General Employees' Union

NEWS RELEASE

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Inducing labour contractions won't birth economic recovery

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Government's declaration that public sector employees must accept wage freezes or rollbacks in order to avoid layoffs is the wrong way to deal with our provinces woes, according to SGEU.

Yesterday, media outlets reported that a letter sent to all 41 agencies that bargain with government employees provided a mandate for such moves.

"The real problem that Brad Wall and the Sask. Party need to address is their wasteful spending. It wasn't payroll costs for crucial public services that drove Saskatchewan into deficit," said SGEU President Bob Bymoan.

"Now, public sector employees are being told we need to subsidize 9 years of Sask. Party mismanagement and waste," said Bymoan. "We are being told we need to take rollbacks and pay cuts while two Sask. Party donors made off with \$11 million from the GTH deal, sent \$2 billion to a French company for the Regina Bypass, spent hundreds of millions on consultants, \$47 million on smart meters, \$33 million on Lean, and created three additional MLA's. The list goes on."

The union questions the legality of re-opening contracts, and urges Brad Wall and the Sask. Party to take a closer look at the issue before charging ahead. "Saskatchewan people have already paid for this government's failure to understand or respect what collective bargaining is. It was taxpayers who footed government's legal bill as it tried to defend its unconstitutional essential services law. They were warned not to do it then, and they are being warned not to do this now," said Bymoan. "You don't trample working people's rights just because you are not fiscally responsible."

SGEU is concerned over the adverse economic impacts such a directive may have in Saskatchewan, noting that public sector wages account for about 30 percent of all provincial income.

"After seeing a contraction in your largest economic sector, you don't go react by undermining the financial security of 30% of the province's consumers," said Bymoan. "That makes zero economic sense. And if there's job cuts, that means more people will be accessing social assistance, education and

training programs, and other government-funded services. It saves no money that way, either."

"The irony of all of this is that we are being told to pay for bad economic decisions we warned about throughout the nine-year reign of the Sask. Party," said Bymoen. "We warned people that spending on consultants was out of control, that P3s like the Regina Bypass were doomed to failure, that pet projects like Lean and Boundary Dam were ill-considered. That's why this move just feels spiteful. It's not going to help the economy; it's going to hinder it. It doesn't solve the problem whatsoever."

"We didn't ask for massive pay increases, and we saw a 15% cut to the public service when things were good," said Bymoen. "Going after public sector workers won't solve the deficit challenges the government faces. These challenges are a manufactured crisis of the Sask. Party. It has been their agenda all along to rollback union wages and undermine the collective bargaining rights of workers."

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