Top Court Upholds Constitutionality of Manitoba Public Employee Wage Cap Law



To control public sector wages, Manitoba adopted a 2017 law called *The Public Services Sustainability Act*, capping wage increases to a specified annual amount over a 4-year period. The unions claimed the Act violated their (Section 2(d)) *Charter* right to associate to collectively pursue workplace goals. Manitoba claimed the law was valid and cited a 2015 Canadian Supreme Court decision called *Meredith v Canada (Attorney General)*, ruling that broad-based, time-limited wage restraint legislation to meet government budget priorities doesn't violate the freedom of association. The lower court sided with the union and the case came to the Manitoba Court of Appeal, which reversed the ruling and upheld the Act under *Meredith*; but it also upheld the part of the decision finding that the province did violate the unions' association rights when it unilaterally imposed wage caps during negotiations in 2016, a year before the Act was enacted [*Manitoba Federation of Labour et al v The Government of Manitoba*, 2021 MBCA 85 (CanLII), October 13, 2021].