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Legislative Assembly of Manitoba

Standing Committee

on

Public Utilities

and

Natural Resources

Chairperson
Mr. Frank Pitura
Constituency of Morris



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

THE STANDING COMMITTEE ON PUBLIC UTILITIES AND NATURAL RESOURCES

Friday, November 1, 1996

TIME – 9 a.m.**LOCATION** – Winnipeg, Manitoba**CHAIRPERSON** – Mr. Frank Pitura (Morris)**VICE-CHAIRPERSON** – Mr. Gerry McAlpine
(Sturgeon Creek)**ATTENDANCE** - 9 – QUORUM - 6*Members of the Committee present:*

Hon. Messrs. Cummings, Findlay, Stefanson

Messrs. Ashton, McAlpine, Pitura, Rocan, Sale,
Sveinson*Substitutions:*

Mr. Laurendeau for Hon. Mr. Stefanson

APPEARING:Ms. Becky Barrett, MLA for Wellington
Mr. Daryl Reid, MLA for Transcona**WITNESSES:**Ms. Lynne Geisel, Private Citizen
Mr. Rob Altemeyer, Private Citizen
Mr. Kerniel Aasland, Private Citizen
Mr. Harold Shuster, Private Citizen
Mr. Bruce MacKay, Private Citizen
Mr. Bruce Tefft, Private Citizen
Ms. Audrey McClelland, Private Citizen
Ms. Katharina Stieffenhofer, Private Citizen
Ms. Alexis Sokal, Private Citizen
Mr. Mike Keenan, Private Citizen
Ms. Kemlin Nembhard, Private Citizen
Mr. Bruce Odum, Private Citizen
Mr. Jack Samyn, Private Citizen
Mr. Phillippe Trottier, Private Citizen
Mr. Bill Hales, Private CitizenMr. Sig Laser, Private Citizen
Mr. Oskar Brauer, Private Citizen
Mr. Ken Beatty, Private Citizen
Ms. Diane Frolick, Private Citizen
Mr. Eli Jacks, Private Citizen
Ms. Suzanne Hrynyk, Private Citizen
Ms. Jean Altemeyer, Private Citizen
Mr. Bob Romphf, Private Citizen
Ms. Beverly Hawkins, Private Citizen**WRITTEN SUBMISSIONS:**Mr. Jasper Robinson and family, Thompson,
Manitoba**MATTERS UNDER DISCUSSION:**Bill 67–The Manitoba Telephone System
Reorganization and Consequential Amendments Act

Mr. Chairperson: Good morning. Will the Standing Committee on Public Utilities and Natural Resources please come to order. The business before the committee this morning is the consideration of Bill 67, The Manitoba Telephone System Reorganization and Consequential Amendments Act.

At this point, I would like to inform the public that this committee will meet again if necessary tomorrow on Saturday, November 2, from 9 a.m. till 3 p.m. and on Monday, November 4, from 9 a.m. till 12 noon to hear public presentations on and for the consideration of Bill 67.

These meetings will all be held in this room, Room 254. The notice for these meetings is posted on the board outside the committee room and on the notice boards outside the Legislative Chamber. This morning the committee will continue with hearing public presentations. The list of presenters should be before all committee members, as well as posted at the back of the room. If there is anyone present this morning who wishes

to appear before the committee and has not yet registered you may register with the Chamber staff at the back of the room and your name will be added to the list.

Before we continue with public presentations, I would like to remind committee members and the public present that the committee has previously agreed to a 10-minute time limit on each presentation and a five-minute limit on questions, and the committee will still follow these. As well, the committee has agreed to hear from all out-of-town presenters first and the committee will continue that practice this morning. The out-of-town presenters are indicated on the list by the asterisks after their name on the list. Therefore, we will begin at 122 of the list, the first out-of-town presenter.

Before I recognize you, Mr. Sale, I just want to bring to everybody's attention that the meetings announced for Saturday and Monday should have had the "if necessary" behind them.

* (0910)

Mr. Tim Sale (Crescentwood): Mr. Chairperson, just before we start this morning, we wanted to just make sure that we understood the expectations of the minister and the committee in regard to clause by clause. It was our understanding and I think is our understanding that the scheduled hearings are to hear the public, if necessary, and that if we finish today or finish tomorrow or finish Monday that we finish whenever we finish, but that clause by clause would not be before at the very earliest Monday, and I think perhaps Tuesday might be more realistic. I wonder if we could just be clear on the record as to the expectations of when clause by clause is expected to commence on this important bill.

Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act): Yes, as we had discussed, we will conclude the presentations at whatever time we do, and then there will be a break to give us an opportunity to get their proper amendments prepared. We would like at least a day to do that, so that if we rise on Saturday in terms of presentations, then we would not do clause by clause any earlier than Tuesday and within the capability of House leaders to schedule such meetings.

Mr. Sale: Thank you, Mr. Chairperson, I think it is helpful to have that clarification so that people who are

concerned about clause by clause know that they will have a day or so to go over the many, many presentations and decide on the priority elements that they feel they have to address, so I appreciate the minister's clarification.

Mr. Chairperson: Thank you very much. We will begin public presentations.

I would like to call Ken Rosentreter. Out of towners first starting at 122. Ken Rosentreter, not here, his name will be dropped off the list. Henry Reske, not here, name will be dropped off the list. Isabella Proven, not here, name will be dropped off the list. Larry Reske, not here, name will be dropped off the list. Stewart Hamilton, not here, name will be dropped off the list. Raymond Froese, not here, name will be dropped off the list. Ken Winters, not here, name will be dropped off the list. Wayne Sotas, not here, name will be dropped off the list. Brad McDonald, not here, name will be dropped off the list. Andy Baker, not here, name will be dropped off the list. Elgin Tapp, not here, name will be dropped off the list. Anna and Irwen Folick, not here, names will be dropped off the list. Mel Christian, not here, name will be dropped off the list. Lydia Spitske, not here, name will be dropped off the list. Laura Henderson, not here, name will be dropped off the list. Joan Scorgie, not here, name will be dropped off the list. Wilfred and Louise Hudson, not here, names will be dropped off the list. Leo Spitske, not here, name will be dropped off the list. Randy Proven, not here, name will be dropped off the list. Jan Rogers, not here, name will be dropped off the list.

That concludes the list of out-of-town presenters, so I think I will start at No. 1. I would like to call Steve Webb. Steve Webb, not here, name will be dropped to the bottom of the list. Lynne Geisel. Please come forward. Do you have copies for distribution for the committee?

Ms. Lynne Geisel (Private Citizen): No, I am just doing an oral presentation.

Mr. Chairperson: Please proceed.

Ms. Geisel: First of all, I am not sure who everybody is, so could I ask for a round of introductions? It can go within my 10 minutes. I just want to know who everybody is that I am speaking to. I am not familiar with all the faces.

Mr. Chairperson: Okay, I will do it very quickly. Mr. McAlpine, starting with Mr. McAlpine and closest to you, Mr. Sveinson, Mr. Cummings, Mr. Stefanson, Minister Findlay, Mr. Sale and I am Pitura.

Ms. Geisel: Thank you. My name is Lynne Geisel and I was born and raised in Manitoba. Currently, I live in Winnipeg and part of what I am basing my presentation on today is the fact that I spend a lot of my employment travelling Canada, and part of my job is travelling through a lot of Canada for most of the school year. So I have come, over the last few years, to have a fairly good appreciation for the differences among the provinces and rural versus cities across the country, and I have always been very happy to return to Manitoba. I have always felt that living in Manitoba was quite a privilege and that we have a lot of good things going for us here, but I am beginning to wonder.

When I came back from my trip this time, I discovered how many bills were about to be put through on all these important issues, and it does not seem like there has been much done to try and talk to Manitobans about this and find out how Manitobans feel, and I cannot help but feeling that the motives behind this cannot be in the best interests of Manitobans in my opinion.

I would also like to ask you to keep in mind that the presentation I make is not just on behalf of myself. You just finished reading off a list of all the out-of-town presenters who are not here to make their presentations. Well, my parents also were wanting to make a presentation. They are from out of town. They are from rural Manitoba. Unfortunately, they work, and they are unable to take time off to come to these hearings. They also were unable to come to the late night hearings because it would take them so long to drive in. They are not young anymore. It would be a big strain on them, and I am a little confused as to why there were no hearings or presentations available outside of Winnipeg. Most of my relatives live outside of Winnipeg and none of them are able to participate in this, and they have some pretty major concerns about the sale of MTS. I think it will affect their lives even more than those of us who are privileged to live within Winnipeg, so I am concerned about that.

In preparing myself to make this presentation, I started to think about how I feel about the sale of MTS. I

thought that would be a good place to start. I feel suspicious. I feel scared, and the more I find out about this deal, the less I like it. I think this sale, the privatization of MTS, will affect me and my community in many ways mostly because I cannot imagine functioning successfully in today's world without a telephone. Finding a job is not easy these days. Those of us who graduate from university and high school and various technical institutions find ourselves faced with one of the toughest job markets in history.

How would you find a job without a phone? How do you stay in touch with friends, relatives? I am sure many of you have children who go off to school in various places. How would you feel if you could not find out how they were doing? How would they feel if they could not call home to get support? It would put telemarketers out of work. That is sort of a mixed blessing, I guess, but a telling one. How many friends of mine have put themselves through school in some sort of job connected with telecommunications?

We conduct much of our business over the phone, so if a likely result of this sale is that suddenly phone prices go up, as has occurred in other phone privatizations, that means that some people will not be able to afford to do business or to stay in touch with friends and relatives. That is a lot of control over our everyday lives to be giving up for no good reason.

As a student for many years, I depended on my phone for all the reasons that I have mentioned and more, and I did not have more money to pay had the prices gone up. When people on a fixed income say they do not have any more money to spend on a phone, they mean it. More money on a phone can be meaning not enough money for food for that month. That is something that I am not sure that everyone in the room can fully appreciate.

Also, as a Manitoba entrepreneur and small-business owner for the past six, seven years, phone costs are a major part of my overhead. A phone is my lifeline and the lifeline of my business. Nowadays without a phone, I could not even consider conducting business in Manitoba. Not only could I not talk to people directly, I could not use E-mail, I could not access the Internet, I could not fax documents. These things are all part of the everyday business life. I cannot see how I could replace this system, and phone costs right now are pushing the

upper limit of what I can afford in order to stay in business.

Now, I like being a productive citizen of Manitoba. I like being an entrepreneur. I like expanding Manitoba's business. I like participating in Manitoba's business, and I like to think that the government is also interested in my participation in this sector. Privatizing MTS seems to be very counterproductive to this, in my opinion.

While MTS is owned by Manitobans and operates for Manitobans, I can believe that it will continue to protect the interests of Manitobans. The possibilities of outside ownership make me question that. Would this mean fewer jobs for Manitobans? I have more unemployed friends than I can count right now. Is this going to help? How many times have we seen jobs move outside of Manitoba and Canada in general? This does not seem like a very good trend.

* (0920)

I am not convinced that an independent company would care what is good for Manitobans. Running a business myself I know that decisions are made first on the bottom line, not necessarily on what is good for the community.

I am also concerned about the process that was followed in this particular consultation. First of all, I would like to remind the government that you promised you would not sell MTS, but that was last year and during an election campaign, so I am sure that you have conveniently forgotten by now. Then there is the lack of public consultations. The proposed sale of MTS will seriously affect the lives of the vast majority of Manitobans. Why were these hearings not better advertised? I found out at the very last minute, and I was lucky that I have a job where I am the boss. I can decide when I go to work, so I could decide to come down here and make this a priority.

Why are there not any consultations outside of Winnipeg? This is unacceptable. I think I have a unique perspective to offer to the outside of Winnipeg hearings. I spent the first 16 years of my life in northern Manitoba. The telephone there was a little bit more crucial for everyday life. In fact, I would say it is as crucial as it is for my business today, in that feeling a part of the Manitoba community ties to the rest of the community. Most of my relatives, most of my friends, secondary

school opportunities, job opportunities, are all linked to other parts of Manitoba than where I was living.

The isolation up there is something that has to be lived to be believed, and if we want to participate in the political process, as citizens in a democracy should, then the telephone is our tie to that in a lot of cases. Maybe if you guys could not do hearings outside of Winnipeg, as in moving the hearings outside, what about a phone-in? What about having people able to phone in their proposals and their questions and comments? I mean, radio shows do it.

Mr. Chairperson: You have two minutes left.

Ms. Geisel: Two minutes? I wonder why the government is so afraid to hear that they will not actually talk to the people whose lives will be most affected by this act. Maybe you do not want to discuss broken promises. Well, if I were you I would not want to discuss broken promises with my parents either. They can be pretty strict about that sort of thing. But the bottom line is, with all the cuts and complaints by government over the lack of funds for education, health care, social programs in general, I cannot for the life of me understand why the government would then turn around and sell off MTS, a company which is actually bringing in profits.

And from the business community, a company that brings in profits these days is a rarity, so I think you should support them and hang on to them. They are valuable to you.

I just do not understand how you can think any of this is good for Manitobans. The idea is wrong. The process has been atrocious. You said you would not. I cannot see any good reason to privatize the Manitoba Telephone System, and I want to know why. I have not heard any good reasons yet as to why this decision is being made. All the evidence that I can find, all the evidence that has been put forward for me and reasons behind this tell me that from a business perspective we should not sell MTS. From the good-of-Manitobans' perspective we should not sell MTS. I am still left wondering why.

Mr. Chairperson: Thank you very much for our presentation. Mr. Cummings had indicated a question earlier.

Hon. Glen Cummings (Minister of Environment): One question to the presenter, and I thank you for your comments this morning, but you along with a number of others seem to be expressing two concerns: 1) that you do not think there will be phones available at all; and 2) that service would not be provided.

You said you were rural and, when you indicate "rural," I wonder if you then supported what was the policy of MTS up until recently, that you could not have a private line unless you paid for it and sometimes that might only be a hundred yards off the main line. Do you think that that was the kind of policy that was supporting rural development?

Ms. Geisel: First of all, I guess my assumption that they would not be able to have phones is based on the fact that I believe phone prices will go up and that that will prevent many people from actually having a telephone.

I know that myself and a lot of people my age do not have that much of a budget to work with. I also remember being a student. I remember being a young person and, if you have ever been in northern Manitoba, you know that not very many people have extra money to throw towards anything really and that it does cost more to live up there. So I think that based on the fact that I believe phone prices will go up, as has happened with other privatizations, that this will prevent many people and the people who need it most from having a telephone.

The second part of it is that I have relatives who live in areas, rural areas, where yes, they have the option of a party line or a private line. I do not know. I do not know what is going to happen to the phone system when it is privatized, but I do not see any indications that it will be better than it is now.

Mr. Sale: I think that, you know, what the minister is referring to is a very welcome development that all of us support, and that was that previous governments began and this government continued in an aggressive way and I think in a way that rural people welcomed putting single-party service throughout rural Manitoba, a project that is in its, I think as the minister said on other occasions, it is virtually complete but will be 100 percent completed this year. I think we all welcome that.

It is interesting to me that the minister would ask that question of you when in fact it is precisely because this

was a Crown corporation that governments were able to help direct public policy in a positive way. I would not expect that anyone would be happy if they could not get single-line service, but I cannot imagine the government of Ontario directing Bell to do that.

So I would ask you, you have travelled the length and breadth of this country in your business of helping high schools and other people to understand our environment. What is your experience with many of the rural and remote communities outside of Manitoba in which you found yourself? What is the telecommunications like when you have been trying to do the things you do in your business?

Ms. Geisel: We frequently find ourselves out of touch, no service for various reasons, limited access to lines. People who do not take a phone for granted in some of the northern areas that we go to and, yes, phone service in Manitoba is excellent, and that is one of the things we notice when we come home. We are always happy to get the MTS system because it is much better and much more focused, I think, on serving people and serving Manitobans, and that is something that I have always been proud of as a Manitoban.

Actually, yes, referring back to I think it was Mr. Cummings' statement, I am very glad that this program of party lines has been put in. I ask you whether or not a private company would have this in mind when they go into a new area, because this seems to be something that serves Manitobans and may not actually be all that good for business. So I think the fact that the government had enough input into that to cause that decision to happen is important. I think we should hang on to that.

Mr. Cummings: The second half of my question was that Manitoba Telephone System was only prepared to provide a large number of our people in rural areas for service, if they paid for it. What makes that any different than private?

Ms. Geisel: I think that is one step better than private. I think that it could get a lot worse with a private company. I know personally in my business I try to reach customers wherever they are, but sometimes the costs are just too high so I focus on the market that I can reach, so I will not even attempt to reach those people and just focus on the market that I can reach. I do not want rural

Manitobans to be focused out of the majority of the telephone market. I think that that is a bad thing, and that may be a decision that a private company may make.

Mr. Chairperson: Time has expired. Thank you very much for your presentation. I would like to call Rob Altemeyer. Please come forward. Do you have copies for distribution to the committee?

Mr. Rob Altemeyer (Private Citizen): Actually, I just wrote it; so, no.

Mr. Chairperson: Okay, please proceed.

* (0930)

Mr. Altemeyer: All right. Can you hear me through the mike? Yes. First of all, thank you very much committee members, honourable Chair, everyone else who got out of bed at this ungodly hour of the day to come and listen to me speak, of course your only reason. I was here last night. I do not know how you guys do it from whatever time of day to midnight. I was here last night, anyway. I do not know what you have to do as an elected official to look interested for that long when you are hearing so many of the same comments over and over. Is it like one posture or do you have a couple that you go to? I mean, it has to be tough. So I thought what I would do is come at this from a little bit of a different perspective, maybe a little bit flippant, just a little, and we will see where it takes us.

First of all, I should probably plunge into the fact that we are dealing with a very serious issue here. Telecommunications is one of the most rapidly expanding fields of the economy, something that Canada is a leader in, and we should certainly give this topic of the sell-off of a Crown corporation in this expanding field, the serious consideration that this government accords a democratic process these days.

So let us start with a couple of jokes. How many government ministers does it take to pass the legislation to privatize MTS? Well, the answer is two—one to write the legislation, one to make sure it gets passed and another one to do the math and tell us it works out for Manitobans. Now, before you have me typecast as, you know, coming from a particular political perspective, let us try one from the other side. How many do-gooder

NDP phone calls and letters is it going to take to change any government piece of legislation? This is a trick question. The answer is zero because after this legislation they will not have any phones. You will not have to worry about it. It is a brilliant concept. All right, now we are all loosened up and last night's problems are—I can check this off. [interjection] Pardon? I missed that.

An Honourable Member: Mr. McAlpine was just making smart remarks. I think we need a little humour, and I appreciate your bringing some.

Mr. Altemeyer: Well, I wrote it in the first 30 seconds of my consciousness this morning, so if you liked it, that is the important thing.

All right, then, having dispensed with the serious aspect of my presentation, let us jump into sort of a recap of all the facts that have come out about the deal to sell MTS. [interjection] I do not have any. I do not know if anyone has any on the deal. It has been a bit of a mystery, so that leaves me with only one other great Canadian tradition, and that is wild speculation without any substantial facts whatsoever. It is a tradition. You know, you see a lot of these initiatives whether it is from the private sector or the public sector; no, we cannot tell the public what is going on; no, you are not smart enough to understand it; no, the details are not finalized. Everything is fine. Just go away, leave us alone, and so we have to watch late-night TV to get all of our news. So it sort of comes back at you at these committee hearings.

This government has had quite a few sort of quasi-secret deals of late or misplaced information or whatever you want to call it. I mean, I cannot help but remember not too long ago during that wonderful fiasco of that certain hockey team that, you know, we were going to keep the team and the deal was signed and it would not cost us a lot of money. Would you not know it, when I woke up yesterday morning, the first news item on the CBC—which is also probably going to be privatized and gone pretty soon, so we are on the right trend—their first news story—probably the last one to be heard of its type—was that something like a thousand pages were missing from a freedom of information request by the CBC on the Jets deal. Just, you know, misplaced, could not find them in time, were not available. I did not hear all the specs, but that is the gist of it. So if you are not forthcoming in

information, it is not surprising that that is the attitude that the public is going to take on these committee hearings.

So this leaves me with the big question of who is the smoking transnational corporation that is going to win this. Where is our smoking phone line? I cannot help but remember that the government promised in the last election—like this swayed my vote—but this government promised that it would not sell off MTS, and here we are faced with it. So you have to wonder what has changed. Who has stepped up to sweeten the pot for one or more people to convince this government to sell off a highly profitable, very worthwhile Crown corporation which benefits all Manitobans, your constituents, Winnipeg constituents, in a variety of ways. So what is changed?

I am only left with the conclusion that—the same as all the other government services which are all now all of a sudden profitable and government is not allowed to do anything profitable for some strange reason—there has got to be somebody new who stepped up to the plate. We had that marvellous scenario a little while ago with a company called Faneuil. Is that right, Faneuil? I am wondering who gets to go to Harvard when this deal gets closed. I mean, who was it, Mike Bessey went last time? It is the virtual deal meets the virtual company, and you get a virtual education and everyone else gets stuck with very real phone bills.

It would be kind of interesting to see where this all pans out. I am just casting it out. I am waiting for the CBC to finally get some information maybe a year or two from now and be able to let the rest of us know what really is going on. But at least do some wild conjectures and wild speculation. You cannot help but wonder where this privatization mode is going to take us. I can just see it. I will be talking to my mom all the way across town in a few years and would you not know it, right smack in the middle of a conversation, it gets interrupted by the motor oil half-time phone call report, and the score is motor oil, \$1.50 a minute; customers, no score. Do not forget to use motor oil—Motorola, it is your new MTS telephone system. It could happen.

And maybe privatization is so good we might even have to extend it to the hallowed halls of this building, the Legislature itself. Could you not just see it? The Sprint Canada Speaker recognizes the McPremier who

have the right to say something so long as it toes the party corporate line. I would pay to see that, you know. It might almost be worth watching some of the current footage, which no one watches of legislative proceedings, just to compare the two. Maybe we could all sell parts of our suits. We could have our names on the backs so people know who we are, but then we could also show who paid for us to be there—McDonald's, Pepsi, Coke. You know, you want Pepsi stuff, come talk to me. I will line it up for you. Marvellous proceedings.

This leads to another question of privatization in a more serious sense. We have the Manitoba Hydro and Liquor Commission. This is another thing that blew me away. It had turned out that this government had sold off something like \$80-million worth of cable services for a fraction of its cost. What would the government's reaction be if the NDP was in power and the roles were reversed? I am telling you. The organic fertilizer would hit the fan so fast. You guys do not know how to manage the economy. What are you doing? You are not business types. Holy cow, I mean, I am an arts student, and I can do the math on that one. That is crazy.

Mr. Chairperson: Two minutes left.

Mr. Altemeyer: So once again, who is it that is stepping up to bat for this? Two minutes? All right. Well, I am almost out of my planned scripts. That works out well for me.

I guess just to wrap it up, I have expressed a little bit of skepticism at the government's good intentions on this one. I certainly have to empathize with everyone sitting around this table and in a way particularly the government's side. I mean, you guys apparently have some sort of a gag order which prevents you from taking part in many meaningful conversations, so that has to be frustrating to have delegate after delegate after delegate from the public standing up and saying, what on earth are you doing? This is a crazy piece of legislation. And to not really have too much freedom to defend it, it has to be really frustrating. So you have my empathy, if not my understanding, of where you are coming from with this particular piece of legislation.

I guess the last comment that I would close it with—and I have never met Steve Ashton but I will have to try and touch base with him because he is not here at the

moment—I have been really impressed with the work of the NDP on this front. I used to be a member. I am not at the moment, but I think that just might have to change. The work that has been done on raising awareness of this issue of letting Manitobans know that they have a right to speak at these hearings and to be encouraged to do so and that they have something valuable to contribute is the exact opposite message we have been getting from the government. I think you will be getting more of my time, for what it is worth, in the future as a result.

So thank you for listening to my presentation.

* (0940)

Mr. Chairperson: Thank you for your presentation.

Mr. Sale: I would be glad to defer to any government members of the committee who would like to ask questions, if there are any, Mr. Chairperson.

First of all, I want to thank the presenter. There is an immense pomposity factor in government and in politics, and it is always difficult for the pompous to have their balloons pricked. I think that I will be just as subject to that problem as anybody else, because I think there is something about the air in this place that develops the lack of a sense of humour when one is twitted about one's own foibles or one's party's foibles. So I appreciate the lighthearted superficial part of your presentation, but underneath it there was much more than lighthearted banter because you raised questions about public trust and about the fact that there have been no rationale defences of this deal, no published studies, no attempt to have public debate that is meaningful prior to the government's political decision.

As a young person who has also travelled a great deal across this country, I believe just for the record we should say that Lynne and Rob have travelled across the country with their company working with high school and other adult groups at questions of how we live in a sustainable way in a world that has a great number of problems in it, environmental and other. They have done a tremendous amount to open young people's eyes to possibilities that are there, so I think they have seen our country in a unique way. We only have a couple of minutes; would you spend it talking about your perception of young people's views of politics and politicians and trust?

Mr. Altemeyer: Wow, in 30 seconds or less. Excellent question. For sure you are going to have a very wide spectrum of opinions out there. You will have some who are probably ready to run for office and run it exactly the way this government is running it right now. They like the idea of having power, of keeping it for themselves, of not offering many opportunities for people to influence those decisions. On the other hand, you have a very large number of people who are, on the one hand—sort of the initial reaction is that they are very disenfranchised by politics in general and political decision making, which also works to the benefit of the people in power because then you do not have to put up with them. You can come out with another sitcom, rather than writing a letter. Your job becomes so much easier.

But underneath that there is, I sense, a very deep desire for that to change, and in our recent travels I think we are seeing more and more of that, which is very encouraging. People are recognizing that it is not getting any better. People are beginning to ask questions like, well, we have been in an era of cutbacks and the government is supposed to be doing what is best for us. On the one hand, that is what we hear on the news. On the other hand, we hear about underhanded deals, backroom decision making and just basic economic mismanagement which is not very impressive whether you are talking about the provincial level or the federal level or whatever. So I would start to be pretty nervous if I was advocating the privatization or bust perspective for too much longer. Certainly from a young person's perspective, it is not very acceptable and from my perspective anyway, and I sense we are going to see a lot more of that in the future.

Mr. Chairperson: Mr. Sale, last question.

Mr. Sale: The question of trust. Do young folks trust political processes any more or any less than the adults that you know?

Mr. Altemeyer: I would put it at the moment even less than adults do, which is remarkable given how low political participation—I mean, I think one of the healthiest signs of a government or of a country is the amount of debate, the quality of the debate, the amount of content that is discussed, and I think perhaps one of the best things that a government can do is to open that up and in this instance take the hearings on a rural tour. I mean, if you were in rural Manitoba you would be

surprised how many people knew about this MTS aspect, and they are really worried about it. So either we can just ram the legislation through and hope that no one notices or they forget about it.

I am not convinced, and that goes for young people as well as old people, but as I mentioned before, I think young folks are certainly much more willing to explore new alternatives than the older constituencies are, just based on what I have seen. They are recognizing that they are not going to be getting much out of this. They are recognizing that people on the other side of the world sure as heck are not going to be getting much out of this, and they do not see that as right, and they do not find that acceptable for their future.

Mr. Chairperson: Thank you very much for your presentation.

Mr. Altemeyer: Thank you for your time.

Mr. Chairperson: I had a request, Mr. Ian Robson of Deleau, Manitoba whose name was dropped from the list after being called the appropriate number of times has asked for the unanimous consent of the committee; he requested to put his name back on the list which would then probably result in his being called next. Is that agreed by the committee? [agreed]

I call Mr. Ian Robson now. I am sorry, I confused the message. He is not here but he wanted to be put back on the list. [interjection] I was under the presumption that he was here, but when he—he can be notified that he can get back on the list.

I would like to now call Thomas Steur. Thomas Steur, not here, his name will be dropped to the bottom of the list. Roy Roman. Roy Roman, not here, name dropped to the bottom of the list. Kerniel Aasland, please come forward. Do you have copies for distribution to the committee?

Mr. Kerniel Aasland (Private Citizen): Unfortunately, I do not.

Mr. Chairperson: Okay. Please proceed.

Mr. Aasland: Thank you. My name is Kerniel Aasland. I am here on relatively short notice. I am also taking time

away from work and losing money as this goes on, because I work for a living rather than selling off things that do not belong to me to people who already own it which is what government seems to be hell bound and intent on doing, which I object to very strongly.

In the words of an economist whose name I cannot remember, because he happens to live on the far side of the world and has views that are not mainstreamed so it does not get reported about very much, there have been three major developments in the 20th Century with regard to how power and privilege are used and abused.

The first and perhaps most significant development has been the growth and spread of democracy. We have seen elections take place encompassing more and more people in parts of the world that we thought would never ever leave the darkness that exists within. South Africa is a key example.

The second and perhaps even more significant development in the 20th Century has been the growth of private power and corporations with vast resources often dwarfing those of actual governments and countries.

And the third and perhaps the most interesting development that is very rarely if ever talked about in the media is the growth of the media itself, not as an actual news gathering and entertainment service, but as a propaganda machine but is owned by corporate and private power in the most part and is used primarily to defend that corporate private power from the effects of democracy which is people, in essence, trying to take control of their lives through mutual interactions with themselves, something that large corporations and this government seem to think really ought not to happen in this globalized marketplace that we are being forced into kicking and screaming.

* (0950)

Democracy and the free market are often presented as being inextricably intertwined, that one must exist simply with the other, that they are inseparable. There are a lot of people living in the Soviet Union who recognize that what they wanted was democracy and they did not have it under the Communist regime, and what they have now is a free market. They never got democracy. Simply having someone show up on your doorstep every five

years or four years or two years or whatever and say, vote for me is not a meaningful conversation with the brokers of power. It is not a meaningful communicative interaction that allows the people who are the population to have a meaningful say about the policies and the rules and the guidelines that they then function by.

The so-called democratic process we have now is an approximation of that in that in theory people can vote for someone who in theory will do what they promised they would do and not do things they did not promise they would do, and in theory it sounds nice. The reality as we now see is far from it. Governments, including the current government and the empty chairs I see on my right-hand side as well, get elected not on promises of what they will do but simply on promises, whatever promise needs to be made in order to get elected. Governments, particularly the government and the empty chairs on my right, which I am so happy to see, feel absolutely no compunction, compulsion or even guilt about simply changing those promises in midstream or completely ignoring them.

I believe it was Gary Filmon himself who very shortly after the election said, we now have a mandate to do whatever it is we want to do. That is the current state of democracy in Manitoba and indeed throughout much of the world, and I cannot stand that. We have been told by the pundits, the propaganda machine masquerading as media, that we are moving into the information age in the future, that information is key, the technology that uses information is crucial, that people need to have more education, higher education, better quality education and better access to communication, technology, computers, the Internet, you name it. This government seems to be trying desperately to take Manitoba in exactly the opposite direction.

Funding for education is being cut. Funding for post-secondary education may not be cut, but the provincial student loan program has been handed over to a private corporation, CIBC, an access to the whole communication industry. Communication, that is talking. That is exchanging information, most of which is built on the telecommunication system is now again being parcelled out from government control and government handling to a private corporation which exists beyond the realm of democratic control, and that is abominable. To say that we must move in a particular direction and then

take away any parameters or controls that allow us to choose how we are going to proceed in that direction is not preparing Manitoba for the future. It is stripping off our assets and saying, come and abuse us. And I find that abysmal.

One of the key problems with democracy in the world today is, of course, the lack of information and the lack of knowledge and the lack of faith that people have in the information that they do receive. One of the earlier presenters talked about how the younger generation, much to his surprise, actually seems to have a little more faith in the political process than adults do which is not saying very much because most adults if you ask them about the political process, the first response is flippant and cynical, that politicians are just greedy people who go out and take whatever they can and do whatever they need to do.

Whether that is true or not, I do not know but that is the perception most people have of the political process. Having information about what is actually going on is crucial for democratic participation. People cannot make decisions or come to some actions about what they are going to do in the future or how they are going to control their lives if they do not know what context they exist within, if they do not know how society functions and if they do not know who their neighbours are, and the privatization of MTS is going to simply further this process of making it more difficult for people to communicate.

How are people in Churchill, who are going to be faced with substantially higher communication bills and phone bills, going to realize that they have things in common with people living here in Winnipeg or elsewhere in Manitoba? That process is going to be much more difficult when they are faced with much, much higher long distance rates in order just to talk and find out what it is that is going on in the world, or perhaps they could rely upon media institutions which happen to be owned by corporations which can make money out of this whole process of privatization and selling things off.

To further democracy, we should not be privatizing everything in sight. We should be fostering communication. We should be fostering this information age. We should be encouraging people to reach out and talk to each other and allow them and encourage them to

come together as groups and decide for themselves what it is that they want to see for the future and give them the tools and the capacity to make those visions come to reality. Unfortunately, this government seems to be heading in the opposite direction.

One of the reasons that is often touted for privatizing MTS is that apparently it has a large debt load and this is a stone around its neck that needs to be dealt with and gotten rid of. After all, debts and deficits are the reason for cutting back social programs from the federal level—

Mr. Chairperson: Two minutes.

Mr. Aasland: —down to the municipal level. Yet I look at my own situation. I have debt. I have debt that is several times larger than my regular annual income. No one seems to bat an eye at that. Most corporations, in fact every single large corporation in the world, functions on credit.

Somehow, this large debt seems to be a problem when it is in the public sphere with a Crown corporation but not with a private company, and I find that, completely incapable of understanding that as a reason for getting rid of this Crown corporation. If the debt is being serviced, and it is, and the corporation is still making profits, and it is, and those profits are helping the province in all its other programs, which they are, why privatize? It does not make fiscal sense. But, of course, this government is not about fiscal sense.

If we look back through the last few years, we see really suspicious deals like ones with Wang computers, with the privatization of home care and, funnily enough, there seems to be a relationship between the Minister of Health and one of the people who owns a company that may benefit from the privatization of home care. A whiff of corruption perhaps, maybe that is what is driving this whole process, not strong fiscal sense, not doing what is best for the people of Manitoba but simply how to line one's pockets and get the most amount of money out of the public purse, and that is what I find absolutely most disgusting with how this government functions. It is not a government. It is in the business of making money out of assets that do not belong to it.

Mr. Chairperson: Thank you very much for your presentation. Questions?

Mr. Sale: Thank you very much for another presentation which really takes both an ethical and a broad sociopolitical perspective. You were talking essentially about corporatism and the rise of corporatism and the terms I guess that John Ralston Saul or Daniel Quinn or Chomsky would write about.

Could you just expand a little bit on what corporatism is, because I suspect that not all of us have an understanding of what that term means and politically what its implications are.

Mr. Aasland: Thank you. There was a recent article in the Winnipeg Free Press, which I do read on occasion because I do like to get some information about what is happening, about life in Japan and how one particular woman was describing how she and her husband both worked for Toyota Corporation. They take their holidays on Toyota Mountain. Both their kids are enrolled in Toyota School and look forward to a career as Toyota employees in the future and bank at the Toyota employees' bank, which is owned by Toyota Corporation. They shop at grocery stores and other stores owned by Toyota Corporation, and what you find is that in that one example you have a very succinct reality that people find themselves living in where what happens in their life is far more dependent upon a nondemocratic corporation, this fictional entity that exists only in law, and that their entire life is encompassed by it.

When I look around at my own life, I find that most of the decisions that get made that affect me are not made by governments or by individuals. They are made by these mythical entities out there, the global marketplace that set interest rates that determine how much of my income goes to the bank as mortgage payments or interest on mortgage payments, and this whole growth of these privately owned entities that have legal standing but no physical embodiment, merely representatives of this mystical thing, and the growth of these entities has been unprecedented in the last century or so.

* (1000)

When limited corporations started out, it was a group of people getting together to do something like build a bridge, which was more than one person could do, so they formed a limited company, and the company would

build a bridge. Over the last 250 years, through court orders and legal challenges, the rights of these entities have slowly been expanded to the point where they can do pretty much whatever they want. They can move capital across borders. They can shift. They can play governments off against each other for tax concessions, and individual human beings now have far fewer rights than corporations do.

The whole growth of corporatism and the study of the growth of corporatism is a study of how these entities, these fictional things, and they are fictional, have grown up and assumed an ever larger predominance and effect over people's lives while diminishing other sources of power, such as democracies or governments. So that, in a nutshell, is what corporatism is all about.

Mr. Sale: If a government were interested in the small-d democratic process rather than the big-d politically correct democratic process, what would be some of the things that a government that was interested in democracy would do around a decision like the privatization of a major Crown if you were not a corporatist?

Mr. Aasland: The key to remember in a functioning democracy is not that elected representatives stand up and pass laws but that the citizenry itself has a hand in deciding which laws are going to be created and which laws are going to be voted on. Simply presenting a bunch of bills to the public a la referendum style, which we see happening with increasing regularity in the United States, is perhaps a closer approximation of small-d democracy but is not in effect democratic. To simply be presented with a decision that you either ratify or ignore is not a democratic process really. A democratic process is when the very people who need to make that decision get to have input into what the decision is going to be, into the actual questions asked and the laws formulated, rather than simply ratifying this one but not that one.

So for a government that believed in democracy to embark upon an ambitious sell-off of an incredibly valuable public resource, presumably for bargain basement prices, as all other assets they have sold off have gone for, the very beginning premise would be to look at MTS and to ask the public what they think about it and what they think the future should be. If, out of that long, extended process of regional hearings and rural hearings and hearings here in Winnipeg which are happening, a consensus emerged from the general

population that, yes, indeed, the right thing to do is to sell this company or the right thing to do is expand its mandate and buy back cable companies and start putting some satellites in orbit to expand its capacity, then that would be the direction that would be taken, and the direction would come from the people, not from the corporate sector masquerading as government.

Mr. Chairperson: Thank you very much for your presentation. The time has expired.

Just housekeeping here, I have been advised that Mr. Robson from Deleau, he will be called by telephone and advised that the committee has agreed to put his name back on the list, and when he arrives to make himself known to the clerk's staff so that he can be recognized when he is present.

I have had a request from a Mr. Harold Shuster who is No. 157 on your list for leave by the committee to present as soon as possible. I understand he is a new father, and he is to pick up his wife and baby before noon. So is there leave of the committee to have Mr. Shuster present? [agreed]

Please come forward. Congratulations. Please proceed.

Mr. Harold Shuster (Private Citizen): Thank you very much. I do not have a presentation. I have some scribbled notes and other things. I want to start by saying that I hate having to be here. I hate what this government has been doing to destroy the social fabric of my province. I hate what this government is doing during this legislative session, and I hate what the government has planned for MTS, my telephone system.

I am angry that I have to be here. I resent that I have to be here to participate in this charade of democracy. I am angry with this government for its arrogance and patronizing attitude. I hate the fact that I must give up of my time to speak before this committee knowing full well that not only will the government not change its mind but that it will not even afford presenters the decency to take seriously what we are saying, to listen to our concerns and to engage us in discussion. But I digress.

My name is Harold Shuster. On August 1 of this year, my partner and I purchased a house. Since that time, we have done some home renovations and purchased various

goods and services. On Monday, we gave birth to our first child, a beautiful nine pound, seven ounce boy. In anticipation of that arrival of this child, we purchased a variety of goods and services.

At some point in time, all of this spending will turn up as statistics. It will boost spending figures for the province and may indicate some sort of growth in the economy. The government will use these figures to congratulate themselves on the wonderful job they are doing to turn Manitoba's economy around.

It is important that you know that we have not done this because of what the government is doing but in spite of what the government is doing. These acts are acts of defiance. We have absolutely no confidence in this government's ability to make our lives better or to make Manitoba a better place for people to live and to raise a family.

This government, over the past decade, has systematically torn apart the social fabric of this province. This government has followed a deliberate path towards competitive free market economy that has cost thousands of people their jobs, their homes, their families, their dignities and their hopes for the future. The results of this government's insidious open-for-business policies can be seen by increased numbers of people lining up for food at food banks, overcrowding in our prisons, people begging on the streets, the rise of youth violence, increased numbers of people turning to sniff and other nonpotable substances in an effort to escape the misery of their lives, a misery this government has to take responsibility for. I challenge any one of you to walk across the street any morning of the week and visit the soup kitchen at All Saints Church and tell me how anything you have done during your time in office has helped these people. Pay close attention to the growing number of children who have to go there for their breakfast.

To speak on Bill 67 and the privatization of MTS, this bill reflects the Conservative agenda and is an attack on democracy and the democratic process. The sale of MTS is but one of the major policy initiatives for which the Conservatives have no mandate. This sale is being rammed through the legislation with over 70 other bills. There cannot be sufficient public debate on any one of these bills with so many being considered at one time.

The government has indicated an unwillingness to debate these measures and has shown a contempt for and an intent to limit democratic participation.

In the privatization of MTS, a valuable tool of economic and public policy is passing from public control to private control, in all likelihood to the control of a multinational corporation. The government has introduced over 70 bills in this session. Taken together, they will change the face of the province. They will change the health laws to create unelected regional health boards. They will change the social assistance laws to clear the way for the introduction of workfare. They will change labor laws to make it more difficult for unions to speak out on public issues. They will change labor laws to delay workers' access to workplace justice, and they will change the governing structures of our universities in a way which limits academic freedoms and makes universities more responsive to corporate rather than social and cultural needs.

Some points that I would like to raise around the sell-off of MTS: The government has no mandate to sell off MTS. During the provincial election of 1995, they promised they would not sell MTS. The government repeatedly asserted in the House that it had no plans to sell off the company even though it had commissioned appraisals of the organization. Nobody has studied the probable effects of this sale in detail. The government asked three bond rating agencies to do an appraisal of the company, not to study the impact of the sale on Manitobans. By its own admission, MTS has not even studied the effects of the sale.

Not only did the government promise not to sell off MTS, it has not held any consultations with the people of Manitoba on this planned sale. The government has required MTS to spend nearly half a million dollars on things like the misleading MTS answers letter that every Manitoban got in the mail last week, but has never had a public meeting or a consultation.

Experience in other provinces has shown that private companies are likely to increase rates much faster than publicly owned companies. Alberta Government Telephone recently received a \$6-a-month increase compared to a \$2-a-month increase here in Manitoba. The government claims that the federal regulation is what protects Manitoba from rising phone rates, but the

CRTC, the federal body that makes these decisions, allowed AGT to raise its rates, not because it was losing money, but because it was not earning enough profit. That is not protection.

MTS has the lowest phone rates in North America. Among the reasons for this is that MTS is a nonprofit Crown corporation, although it does make substantial profits and, because it is owned by the government, pays less tax, has lower interest rates on its loans. Can rates stay low if the newly private company has to pay more tax, has to pay at higher interest rates and must satisfy shareholder demands for higher profits every year?

* (1010)

MTS is required to consider the public good and provide affordable service throughout the province. Bill 67 contains clauses that specifically overrule the requirement to put the public good ahead of profitability. MTS has a rate structure that ensures that rural and northern Manitobans do not have to pay as much as \$40 or \$50 a month for phone service. How long will this last under a private company? I do not see Sprint or AT&T Canada running around offering local services. They are after long distance services. The local service is not anything that they are interested in, and the subsidies that are offered to rural Manitobans will be lost under private ownership.

The welfare system does not currently recognize a phone as a necessity. How many Manitobans living on fixed incomes will lose touch with friends and relatives, miss out on job opportunities or find themselves in danger because rising rates force them to give up their phones? Most government services now almost demand that you have a touchtone phone so you can access, whether it is the new employment insurance or welfare. If you do not have a touchtone phone, you no longer have access or very limited access to individuals. How is a person going to apply for a job? Where are they going to leave a contact number for potential employers to contact them should they get a job? There is no consideration given to those.

The MTS logo about reaching out and touching someone is going to take an unfortunate turn when most Manitobans are only going to be able to touch people. They are not going to be able to contact people or talk to

people on the phone because they simply will not be able to afford to have a phone.

MTS employs nearly 4,000 people in Manitoba. These are well-paid, unionized jobs. Many of these jobs could easily be transferred out of the province under a private company. By keeping MTS public, we ensure that the \$400 million MTS and its employees spend in the province every year stays in Manitoba.

MTS is profitable. Since 1990, MTS has made more than \$100 million in profits. In the first six months of this year—

Mr. Chairperson: Two minutes.

Mr. Shuster: —it has made \$15 million in profits. Why sell off a profitable company? Without MTS, how will the government make up that shortfall? Selling it is just a one-off opportunity to add some black to some red ink in the books, and I think it is very shortsighted and does not look at long term profitability and the income and revenues that can be generated by maintaining MTS as a Crown corporation.

The government has acted in bad faith and cannot be trusted to sell off MTS. It already sold off cable assets which were worth up to \$80 million for \$11 million. Under Bill 67, individual shareholders will be able to buy as much as 15 percent of the company. Up to 25 percent of the company can be foreign owned. Will the new owners rally to have Manitoba's best interests at heart?

The government claims that Bill 67 contains numerous protections for Manitobans, like guarantees of local ownership. This is only partly true. When MTS pays off its debt to the province, and this could be as early as a year from now, all these protections under what is called a self-extinguishing clause will end. MTS will then have the right to merge with any other company or even move its head office to another province or another country. The government says that it needs to sell MTS to finance new technological developments. The fact is that under private ownership MTS has been able to place one of the most advanced fibre optic cable systems in the world and make a major investment in rural Manitoba. Why does the government not look at alternatives such as amalgamating with SaskTel, Saskatchewan's phone company, which has indicated an interest in joining with

the two publicly owned phone companies or issuing MTS bonds similar to the HydroBonds that so many people have bought?

We have owned MTS since 1908, the longest-owned public utility in North America. It is a well-run profitable company. When we own MTS, we have a say over its future. After it is sold off we will have no say in how it manages itself. The privatization of MTS opens the floodgates—

Mr. Chairperson: Excuse me, Mr. Shuster, time has expired for your presentation. Thank you very much.

Mr. Steve Ashton (Thompson): Thank you, Mr. Chairperson. I want to focus on a couple of things that you reference in the presentation. I know there has been some frustration, too, with presenters in terms of the government's position on this, and one thing that I have been frustrated over is the fact that the government has never once had a public meeting, let alone put the issue to a vote, which I think would have been the appropriate thing. Throughout much of this so-called debate, it has been very one-sided. Those of us who are opposed to the sale have been putting forward arguments, and we are dealing with it. It is like shadowboxing because the government does not debate the issue.

They have not had public meetings, and even in the committee, again, I know the government says it is listening, but I know a lot of people wonder if they have not made up their mind already and are only going through this as a process which has no end result. I am just wondering, and I want to compare that to Saskatchewan, where the Saskatchewan government has had a public review of its Crown corporations—it travelled throughout Saskatchewan.

By the way, the initial report has indicated that three-quarters of the residents of Saskatchewan do not want to sell off their publicly owned utilities such as SaskTel. I am wondering if you feel that the least the government should do is follow that same sort of process, that if you are going to make such a momentous decision, where you have no mandate from the people of Manitoba, should there not be some sort of process where we can at least publicly hear and publicly participate in a debate where we actually really know what the government is basing this so-called decision on?

Mr. Shuster: Absolutely. I feel that the government in the lead-up to the last election, they claimed that MTS was not for sale. I think they owe it to the people of Manitoba, to the people who elected them on the promises that they made, and to those who did not support what they were saying, that they should go around, and I think this is an issue, clearly, for rural Manitobans as much or even more so than those who are fortunate to live in urban centres. I think that the sale of a publicly owned corporation like this clearly demands that the government have a mandate from the people, which it does not have, and I think that the majority of the people who presented here who, again, were able to make it into the city, who have some flexibility in their work or life schedules, be able to come here to present, have clearly stated that they do not feel government has a mandate and that there are a number of options that the government could look at to allow MTS to remain competitive and still remain a publicly owned corporation.

Mr. Ashton: Well, I want to focus, too, on some of the ownership issues you raised because what I find absolutely incredible in this bill is—it is bad enough that they followed the example of what was done in Alberta with AGT when it was privatized in 1991, it is virtually identical, except when it came to the ownership provisions in Alberta they had a 5 percent restriction on ownership per group or individual. Here it is 15 percent. In Alberta, they had 10 percent restriction on foreign ownership. Here it is 25 percent, and by the way, those figures are not my figures, those are from the three investment bankers that, surprise, surprise, recommended the sale of MTS.

I wonder if you can comment on that, because what really concerns me is the government has already said that between 65 percent and 75 percent—they are hoping, that is how many shares will remain in Manitoba. They are already conceding that between 25 and 35 percent will go outside of the province. We could very easily see that going, not only outside of the province, but outside of the country. How does that make you feel as a Manitoban, that your telephone system will increasingly be controlled by people from outside of Manitoba, potentially outside of the country?

Mr. Shuster: It leaves me very worried. I am scared at the moment, the amount of or the lack of control that so

many of us have over what goes on in our lives on a daily basis. There is increased concentration of power within a smaller and smaller group of corporations and individuals that control so much of what happens in our daily lives. That trend appears to continue here. It is very concerning.

The profitability that MTS has had now, which I am sure is a selling point for those who may be interested in buying it as a private venture, will not necessarily stay here, and the likelihood is very much that they will leave.

The jobs will leave, the profits, the people who are currently employed by MTS. They are spending, what they have been spending in the province will stop. They may leave the province. It is very concerning. I think everybody shares that concern, or should share that concern.

Mr. Chairperson: Thank you very much for your presentation. Time has expired. Once again, congratulations on that new son.

I would like to call Archie Evans. Not here, name will drop to the bottom of the list. Sylvia Bector, not here, name will drop to the bottom of the list. Darrell Cole, not here, name will drop to the bottom of the list. Katharina Stieffenhofer, not here, name will drop to the bottom of the list. Lloyd Brandson, not here, name will drop to the bottom of the list. Robert Hibbert. [interjection] Thank you. It is a good thing the pronunciation will not go into the Hansard. Bruce MacKay. Please come forward. Do you have copies for distribution?

* (1020)

Mr. Bruce MacKay (Private Citizen): No, I just have an oral presentation, as I was given rather short notice to be here this morning.

Mr. Chairperson: Please proceed.

Mr. MacKay: My name is Bruce MacKay. I am here as a satisfied customer of MTS. I am speaking against the privatization of this successful, profitable Crown corporation. Riding the bus down this morning gave me an opportunity to focus a little bit and recall my experiences with MTS. I spent a lot of time as a youngster in rural Manitoba. I can recall when

telephones were a luxury. Not every house had them. I further recall that we then went to a party line system. Now, we have this sophisticated, modern, competitive Crown corporation whose research and development side is keeping up with changes in modern technologies.

I also reflect a little bit on the workplaces. I can remember first going to work, and we used telexes. Now we are using fibre optics and fax modems and very sophisticated ways of talking to each other across the country. We all know that residential phones are subsidized by long distance and business. We know the urban area subsidizes the rural area. Traditionally, privatizers sell off the successful profit portions of companies and retain those as a Crown, the less profitable ones, and in the end, the consumers are the big losers. The rural areas of Manitoba would be the big losers.

(Mr. Vice-Chairperson in the Chair)

I think this government is afraid to go outside the perimeter. I think this government has a great fear of what rural Manitoba is going to say to them, and therefore they are restricting the hearings to the city.

Manitobans have voted; I voted. I voted to stay with MTS. We have privatizers on the market now. The privatizers are not making it in this province, and hence this may be the driving force of this government to sell off this Crown corporation. So we have voted, we have expressed our will to the government, and we have stayed with MTS.

I am not a wordy person, so I thank you for your time this morning.

Mr. Vice-Chairperson: Thank you for your presentation.

Mr. Ashton: I want to follow up on what you were talking about, sticking with MTS. I think one of the things that concerns me about what the government has done is the faulty analysis that they followed, let alone the fact that they did not have a mandate in the election and do not have the support of the people of Manitoba. But the document that they use to decide this, which is these three investment bankers, never once looked at the fact that in Manitoba more people have stuck with MTS than

in any other province where people have stuck with their local phone companies, privately owned, to the point that in 1995 more than 90 percent of Manitobans stayed with MTS, which is significantly higher than any other, Bell Canada or any of the big companies.

We have already heard people here today say they are very loyal to MTS. By the way, I will stick with MTS even if it is sold off because I think it creates jobs here in Manitoba. I am wondering if you think there might be some people—we have heard people already at these hearings say, once it is no longer publicly owned, it is not the same loyalty, and people may shop around for the best deal. I am wondering if, perhaps, the market for MTS will not suffer because of the sell-off when it moves to a private company.

Mr. MacKay: Yes, I think people will shop around. I think we saw it in the U. S. with deregulation. What happened there, people were loyal to one company for many years in the U. S., and then with the deregulation, they did move to the privatizers. I think, yeah, but by shopping around, by leaving MTS, we are going to cost jobs in Manitoba, as Harold stated. We are going to lose good-paying jobs in this province.

I may be naive, but I cannot understand why governments want to give away good high-paying jobs and decrease the amount of disposable income consumers have in this company. We are just driving people away from the province, and we are driving jobs out of this province. We have a successful company. We are competitive; MTS is competitive. The consumers like it. So why fix something that ain't broke?

Mr. Ashton: Exactly. What I find absolutely amazing is the fact that the government, which in the election said it had no plans to sell off MTS, all of a sudden claims that in August, they talked to the Crown Corporations Council and discovered that they were competing for 70 percent of their business.

It is interesting because I think most Manitobans know, with certainly long distance, there has been this so-called competition since 1992. I do not know if you have received calls from the other companies. I find most people have been getting to the point of being harassed by Sprint and what used to be Unitel, now it is AT&T.

I am just wondering if you think that the government is to be believed when they say that they suddenly discovered in 1995 that they were in a very competitive situation and somehow had to sell off the company. Do you think, perhaps, that they had some preconceived agenda, which was to get past the election without saying they were going to sell off MTS, and then go ahead and do the complete opposite?

Mr. MacKay: I fully believe, had this been an election issue, the Conservatives would not have been successful in the last election. Furthermore, the privatizers are not making this province. I know, because I fly out of the Winnipeg airport quite frequently, and I am literally attacked by the privatizers at the airport trying to sell me cell phones and harassed, yes, certainly. We do not need privatizers in this market. We have a good market; we are competitive. We can exist. MTS is great.

Mr. Ashton: What is interesting, too, because I have raised the historical perspective. It is interesting that Rodmond Roblin, his picture is here the entire hearings. He was the one, the Conservative Premier, that nationalized the phone company in 1908. What is interesting is, they had competition then. They had hundreds of phone companies. Their version of competition was to cut down each other's lines and harass each other. I am wondering if we are not headed to the point in 1996 where the new version of competition is harassing people on the phone through telemarketing. The reason I say that is because I know Sprint Canada was phoning people, saying that MTS was an American-owned company. I have had people who have told me that they did not even realize they were being signed up for these companies. They just sort of made some comment when they were on the phone, trying to get rid of them. I am wondering if you would care to comment on whether, perhaps, we are going back to the future. Instead of cutting down phone lines now, we just harass people to death with telemarketing, and we end up really with what I would consider almost a phoney competition because it is a competition of who could harass you the most.

Mr. Vice-Chairperson: Mr. Mackay, with a very quick response.

Mr. MacKay: Certainly, history does repeat itself. We sometimes forget historical perspectives and historical

backgrounds. We have to look back to figure out where we are going sometimes. That is a very good point, Mr. Ashton.

Mr. Vice-Chairperson: Thank you very much for your presentation. Mr. Bruce Tefft? Do you have copies of your presentation to distribute?

* (1030)

Mr. Bruce Tefft (Private Citizen): No.

Mr. Vice-Chairperson: Please proceed.

Mr. Tefft: Thank you. I almost did not come this morning. In fact, I was not intending to present at these hearings at all. Two days ago, I saw a news clip. I cannot remember which TV station it was. It was a newsclip of Premier Filmon saying that, quote: The sale of MTS will go through.

The immediate thought I had—I have lived in this province for 22 years now—was that this is a premier and this is a government who are not any longer even making the pretense of listening to the people, not even nodding his head towards listening to the people.

In the last election campaign, there was no mandate given whatsoever for the sale of MTS. In fact, reassurances were given of just the opposite, that it was not for sale, that that was not being considered. The provincial Progressive Conservative Party ran on that platform, and here we are today. So when I hear the Premier saying, the sale of MTS will go through, that is a red flag for me because, as a citizen in a democracy, I have some rights, and that is to be told what my government is intending to do before it does it and to be asked my opinion on that, at least in the form of the ballot that I cast. That was not done in this case at all. So with that as a backdrop, I will make some substantive comments.

I am a clinical psychologist, and I do a variety of things in my professional life. One of the things I do is treat seriously mentally disordered persons. Many of these individuals have great difficulty and in some cases are unable to leave their homes, either because they are too afraid, they are too depressed or they are just too mentally disordered and disorganized to leave their homes. For

them their telephone is a lifeline, figuratively for many, literally for some, and MTS as a public company has operated—I think this is quite clear—with the public trust in mind. It has operated in a way to advance the public good, including the good of these clients that I am speaking of.

Now as many of you may know, these clients, seriously mentally disordered persons, almost all of whom live in poverty, are already saying we cannot afford phone service. In many cases I have had, clients say, I had to give up my phone because I simply did not have the money. It was either that or paying the rent. It was either that or putting food on the table. I have no faith. In fact, I have every confidence, every certainty that if MTS is privatized, rates will go up. It has happened in other provinces. It has happened in the United States. It will happen here. I have not heard government give any reassurances that have any force to them or any long-term effect to them that that will not happen, and I am wondering how many of these persons, these seriously mentally disordered clients, will be without a phone five years from now if this sale goes through and what that will mean for their lives.

* (1040)

Now I also want to make it clear that I will be okay, my family will be okay. I have a full-time job. I make a good income. My wife is the same. We can afford a phone. Even if the rates double, we can afford a phone. A lot of Manitobans cannot, and the most vulnerable of them are already right on the line between being able to afford a phone and not being able to, and it means a heck of a lot more to them than it does to me or to anyone else around this table. It is literally and figuratively a lifeline and they cannot afford to lose it.

I am an educated person. I pride myself on being a thoughtful person who seeks out information. I read the newspaper. I listen to news broadcasts. I read news magazines. I pay attention to what happens at the Legislature insofar as there are published or public information on it, and for the life of me, I have not been able to find any persuasive evidence that from an economic or social or public perspective this sale makes long-term sense. It may make short-term financial sense. Perhaps the government will realize enough of a profit on the sale to improve the province's financial situation in

the short term, but in the medium to long term I have not seen any evidence that this is going to work.

I hope my information is correct, but what I have been led to understand, what I have been told and what I have seen in the mass media is that the report on the part of the three investment companies recommending the sale was extremely brief. What I was told was seven pages. Now whether it is seven or 10 or some other number, I do not think a sale of this magnitude, with this level of importance can even be summarized in seven pages if there is persuasive evidence to support it. I simply do not believe that. It defies common sense.

I am also, and I am saying this as a citizen, not as a psychologist, I am also appalled at the blatant conflict of interest between or on the part of the investment companies that, on the one hand, recommend this sale, were asked by government their opinion on the sale of MTS, recommended the sale and then turn around and stand to profit handsomely from handling the sale. I mean that is a conflict of interest in anybody's language. How that could be allowed to happen I simply cannot understand as a citizen. It just defies common sense.

Also in terms of the process, I will say what many other speakers have said, because I believe it strongly, that there have been no public hearings outside of Winnipeg, which has disenfranchised 400,000 people; there have been no polls that I have seen asking Manitobans as a whole what they think of this sale. I suspect, and I would like to hear from the government members on this, that there have been no polls, that there have been no public hearings because, quite frankly, they do not want to know, and they know what those polls would show and they would rather that not become public.

Mr. Vice-Chairperson: Two minutes.

Mr. Tefft: The last point that I want to make is that during the previous two terms of government, the Filmon government was noted for its pragmatic conservatism. Now it took many actions with which I disagreed, but none which prompted me to come to the Legislature. Because many of those actions, while they were more conservative than I would have liked, were at least pragmatic. At least there was some indication that the government was listening, that they wished to represent all of the people. I do not have that sense any longer that

this government wishes to represent all of the people, and I cannot help but think back to your federal counterparts under the previous prime minister who after some years in power came to the view, or at least behaved in a way that suggested, that all that mattered was what big business wanted, and that government at the federal level could safely ignore the will of the common people, the will of the majority of the people, and that decisions could be made on ideological grounds regardless of what the public thought about those decisions and what the public wanted.

I think this government has, since it was re-elected, taken a very hard turn to the right and is resembling very closely the federal government of the recent past, and I wish to remind all government members of what happened to your federal counterparts. The same thing could happen here, and I think, if this sale goes through in the way it is being proposed and if many of the other actions that you are proposing in the legislative agenda happen—

Mr. Vice-Chairperson: Excuse me, Mr. Tefft, your time has expired.

Mr. Tefft: —the same will happen here. I do not think history is above repeating itself on the provincial level.

Mr. Vice-Chairperson: Thank you for your presentation.

Mr. Ashton: I want to thank the presenter for a well-thought-out presentation. By the way, I have reminded many people, we have had public meetings throughout the province, and one of the things that people often say is, well, what can you do? I remind them that if the government does not listen now, they have to listen at some point in time, and I have used the analogy of the Mulroney Conservative government, which went from government to having two seats in the House of Commons.

An Honourable Member: Gender parity.

Mr. Ashton: Gender parity, yeah. I actually think that given what they have done to the country in the way they ignored it the last years, that is two seats too many, but that is, I think, the reality of the democratic system. The bottom line is—well, the funny part is here, and the

member opposite was reminding me of the fact that at least Brian Mulroney in 1988 ran on a platform of Free Trade. I did not agree with it, but Brian Mulroney at least stated what he was going to do in that election, and I am wondering if you feel that was the appropriate thing for this government to do, was to run in the election on the sale of MTS?

Mr. Tefft: If that is what they were contemplating at the time, absolutely. That is how the democratic process is supposed to work. Your government or persons wishing to form the government tell the electorate what they intend to do if elected and allow people to have their say, at least through the ballot box, as to whether or not that is the direction, the directions that they wish to take. That was not done in this case. In fact, just the opposite was done, and that is one of the aspects of this that upset me so much. If the government had said, this is our intention and the people of Manitoba, if in their good judgment said that is the direction we wish to proceed, fine. If I am in the minority, that is the way the cookie crumbles sometimes. That did not happen in this case, not at all. Just the opposite happened.

Mr. Ashton: I also want to focus in on what you were talking about in terms of service, because in Manitoba currently, I believe, about 97 percent of people have phones. What has happened in the United States is that the number of people that have phones, under the deregulated environment there, has dropped below 90 percent, and while that may not seem all that significant, what essentially has happened, you get whole communities, inner-city communities or rural communities, where the amount of service, the percentage of people who actually have phones, has dropped dramatically. Largely it is because people simply cannot afford it, and I know, in many American jurisdictions, even to get a phone you need a significant security deposit, for example, which is also prohibitive.

I am wondering if you would care to comment on that. Are you suggesting that under privatization we are headed very much in the same way here in Manitoba?

Mr. Tefft: Well, I can certainly speak for the clients with whom I work. I cannot speak for northern communities. That is not where I live, and that is not where the people with whom I work live. With regard to the people with whom I work, many of whom as I have

already indicated are at the poverty line and below the poverty line, they are very poor people, and they have to make choices every day between paying the rent, putting food on the table, buying shoes for their kids, paying for a telephone and paying for all of the other things that I, as a more fortunate individual, simply take for granted. I can tell you that many of those people have already made the choice that they cannot afford a phone.

Their incomes are not going to go up. There is no indication that this government or any other government is going to make up the difference if phone costs go up, and so many more of them are going to be forced, very much against their will, to give up their phone. I think, in terms of their disabilities and in terms of the quality of their life, that should not be allowed to happen. Quite frankly, a private MTS, whatever form it takes in the future, will be fundamentally and primarily concerned about the bottom line, and anyone who suggests that it will not be, anyone who suggests that it will have the same level of interest and commitment to the public good that MTS as a public corporation has is at best foolish.

Mr. Vice-Chairperson: Thank you very much for your presentation. The time has expired.

I call Jesse Vorst. Jesse Vorst. Jesse Vorst, not being here, her name will drop to the bottom of the list. Cheryl Anne Carr. Cheryl Anne Carr. Cheryl Anne Carr, not being here, her name will drop to the bottom of the list. Laura Masse. Laura Masse. Laura Masse, not being here, her name will drop to the bottom of the list. Don Masse. Don Masse. Don Masse, not being here, the name will drop to the bottom of the list. Kelly Logan. Kelly Logan. Kelly Logan, not being here, his name will drop to the bottom of the list. Paula Prime. Paula Prime. Paula Prime, not being here, her name will drop to the bottom of the list. Dave Cummer and Judy Moreau. Dave Cummer and Judy Moreau. Dave Cummer and Judy Moreau, not being here, will drop to the bottom of the list. Costas Nicolaou. Costas Nicolaou, not being here, will drop to the bottom of the list. Shane Nestruck. Shane Nestruck. Shane Nestruck, not being here, will drop to the bottom of the list. Ruth Stiessenhofer. Ruth Stiessenhofer. Ruth Stiessenhofer, not being here, will drop to the bottom of the list. Dave Plummer. Dave Plummer. Dave Plummer, not being here, will drop to the bottom of the list. Audrey McClelland.

Audrey McClelland, please come forward. Do you have a copy of your presentation that you wish to have distributed?

Ms. Audrey McClelland (Private Citizen): Actually, I do not have a copy. I am going to be referring to a resource that I have, a pamphlet.

Mr. Vice-Chairperson: Please proceed.

Ms. McClelland: Thank you for allowing me to speak. This is not something I usually do. My name is Audrey McClelland, and I am here because I am retired. I spent most of my life working in nursing in various ways, and the last 23 were spent in the inner city, so I know something about what some people have been mentioning.

(Mr. Chairperson in the Chair)

I can remember when I was growing up in the rural area of Manitoba, where we did not have phones, and I was about 12 when we got our party line that had about 10 people on it. So I am really sort of speaking in favour of MTS as a Crown corporation, and I appreciate being able to listen to people talk about their experiences and their feelings and their concerns about this issue. I have many of the same concerns. Can you hear me?

I think that it is about time that I practised being less than passive as a political participant, and please bear with me while I practise. I have done a fair bit of travelling, and among the things that I did travelling was to go last year to Beijing, to the Women's Conference. There, at that conference, I kept hearing over and over again about the global economic crisis and what it is doing for women and many other poor people in the world. So I get most of my impetus for coming here from those kinds of experiences and feelings about the way things should be.

This resource that I am going to use parts of just to tell you where I am coming from and why I object to this particular bill and the privatization of anything practically, it is called: The World We Want. You will see it on the pamphlet. It is a resource put out by an interchurch coalition for world development education. It is now called: Ten Days for Global Justice. It has been around for 25 years, and it has helped me to

understand a few things. This year and last year and next year, we are going to be trying to understand the global economy a little bit better.

* (1050)

I think this bill is an example of a capitulation to this global economy. I think it is not something we want, any of us, and I think governments do tend to do that. I do not know how much. I think it is a struggle not to these days, and I think that we should and we do have alternatives to doing things this way.

I am just going to read one of the quotes: Increasingly, our economy is becoming divorced from reality. The activities which generate the highest monetary returns often have little or no real value. They neither sustain nor enhance life, and they may even destroy it. Activities which are truly productive, caring for children, raising food, protecting nature, yield little in the way of money. Speculators earn millions buying and selling contracts for currencies or commodities that will never be delivered. Meanwhile, women struggling to nurture the soil and their families are condemned to poverty.

That was a quote from the Ecumenical Coalition for Economic Justice, which is another coalition.

There is an article in this particular resource challenging the ethics of globalization. I know you have heard about the ethics this morning from different points of view; this is maybe slightly different. Christopher Lind wrote a book called, *Something is Wrong Somewhere*, globalization, community and the moral economy of the farm crisis in 1995. He is a professor of theology at St. Andrew's College in Saskatoon. This is an adaptation of some of what he said: The term "globalization" is a new word that has entered our vocabulary primarily by way of business press. It has taken on a number of different meanings, depending on who is using it and the context in which it is being used. In the popular business press, it is often used to refer to the increased pressure on manufacturers to sell and build in more than one country. They are encouraged to think of their market and their producers in global terms rather than national terms. From this point of view, the North American Free Trade Agreement is both a political response to globalization and an invitation to globalize. In the cultural world, globalization is used to refer to the

spread of American-style movies, clothing styles and soft drinks around the world. In South Africa, young people drink Coke and wear caps promoting Chicago Bulls. I have seen this everywhere, McDonald's at the conference in Beijing, for instance. I am not happy when I see that.

In this resource—this is not me, but the person who wrote this—I want to distinguish underlying causes from visible effects. Our economy has changed in fundamental ways over the last 25 years. In this sense, globalization refers to the joining of individual nations' financial markets to form a single global capital market. This market is diffuse, made up of computer screens all over the world and unregulated. Before they were joined, national markets for financial capital could be controlled and regulated by individual governments. Now the global market for money is bigger than any single government. As a consequence, the market controls and shapes the economic policies of governments.

That is why I say that I think that it is a tough choice that the government has when they are making these decisions.

The deregulation has created the conditions necessary for an explosion in the speculative use of money. For example, the amount of foreign currency exchanged in Canada increased by almost 600 percent from 1983 to 1995, and now amounts to 15 times the amount of currency required to service our imports and exports. This development has several effects. One, globalization has changed the relationship between governments and financial markets, governments have become weaker and markets stronger. Globalization has exaggerated the relationship between creditors and debtors because interest rates are much harder for a single country to control. Countries owing money become more poor more quickly, and countries lending money become rich more rapidly. The growth in speculation has diverted capital from productive uses such as constructing factories and roads. By speculating in the marketplace, people can become wealthy without creating any new jobs. This leads to simulation, creation of wealth and poverty. The biggest beneficiaries of globalization are transnational corporations.

I think that is where this MTS is headed.

They can move their money around the world to maximize their profits because jobs are in short supply.

They can also move their production around the globe in order to find the most work for the lowest wages, and that is certainly happening everywhere, especially in Mexico, which is one of the worst examples that we have close by, but it is happening here in Canada too.

Mr. Chairperson: Two minutes left.

Ms. McClelland: Okay, I will just speak.

I think that I have read and heard from enough people who know what they are talking about, some of them have been here this morning presenting, that this is a bad idea. I will just quote another person or two whom I have read from a magazine probably that does not get on the local newsstands because of this process. There is a lot in alternative literature that you have to subscribe to or you have to go to libraries for if you are going to read another point of view than the corporate, whatever it is.

One of the things that I read in World Watch at the library just recently is a comment by a Hungarian research institute for economic and social affairs. I do not know whether this pronunciation is right, El Dico Equas [phonetic], and he says that privatization is always accompanied by an upswing of corruption. The other economists and speakers that I have heard over the last couple of years when I have had the time to do it, when I am not working, there is a woman named Maria Mias [phonetic] and another woman named Marilyn Waring, who has done extensive work all over the world. It is easy to see what she has to say in an NFB video called Who's Counting, and she just sort of demystifies the economy and tells us that most of what we talk about is the economy, is a very small part or maybe half of what really counts. I have come to believe that myself. I was thinking as I listen to people talk about MTS that the things that really count are not being considered. I do not know what is being considered. It sounds like if it is even a profitable Crown corporation, that we should keep it.

Mr. Chairperson: Excuse me, time has expired.

Ms. McClelland: Thank you.

Mr. Chairperson: Questions, Mr. Sale?

Mr. Sale: You are probably aware that you are one of probably around 10 or so, now, presenters who have

taken what might be called a faith in justice approach to this issue. I think it is enormously both important and hopeful when people of faith are able to put a public policy decision like this in a broader perspective. I think very often you are right, these decisions are made on narrow, short term interests and not on broader faith justice perspectives, which I believe are quite capable of taking a progressive and well informed view of economics.

Your own organization, or the one that you shared with us this morning, Ten Days, has tried to link local and global issues. Can you speak a bit about your sense of the local side of this issue? You have talked about the big picture. Can you talk a bit about the people you know in Ten Days and their sense of how this has local ties as well?

Ms. McClelland: To me it is very obvious. It is very obvious that this process is going on here right in Manitoba, that people are considering only what it costs and how they can save money and so on. It is not just for this bill but for lots of things that are going on. To me it is really obvious, and as we discuss it, I have lots of support for this point of view. In our committees—and we are all volunteers by the way—we are experiencing, not benefiting in a monetary way from what we do. I do not think that is the only way to benefit, is through monetary means. I think it is pretty obvious that most of the decisions that most people make actually, they way they shop and so on, is to save money or to make money. That is how they spend their time, a good deal of it. That is what you hear people talking about.

In our groups we realize that there are things that we can do about that. We can shop very carefully. For instance, right now I am considering not subscribing to Videon any longer because it is sort of a trap, and I do not want to support—In small ways people can do things not to support what they want. This is one of the small ways, is speaking to the people who make the decisions, but there are lots of other ways, the way we shop and so on. Does that sort of answer your question?

Mr. Sale: In some ways, yes. You are speaking to the small choices that we all can make. I guess what I was referring to is that I am familiar with Ten Days' attempts to link local poverty and justice issues—

Ms. McClelland: With who?

* (1100)

Mr. Sale:—with broader global poverty and justice issues. We heard from Dr. Tefft just a few minutes ago about many people with mental disorders who are already marginalized and risk losing their phones. We heard from Peter Flynn last night at St. Matthews-Maryland, who I know has had an active Ten Days program at various points over the years, about the people in his community who now find it difficult to afford a phone and the trap that that puts them into in terms of job hunting, for example: how does an employer call you back if there is no call back that is possible?

Ms. McClelland: I know that to be true.

Mr. Sale: I guess I was wondering whether there was a perspective from the Ten Days group on the local poverty issues which the sale of MTS may make worse because of rate problems.

Ms. McClelland: Yes, you are wanting me to be specific to this particular issue. At various times we try to approach people about decisions that are made, by writing letters and so on. No, we do not have a program at the moment to address this particular issue. This is why I am here as a personal, private citizen. But, I do really think it fits.

Mr. Sale: I obviously do, too. Do you feel that your committee and people with whom you work in Manitoba have sufficient information so that, even though the government misled Manitobans about their intentions to keep or to sell Manitoba Telephone System, do you believe that even if the ethics of the sale are set aside, you have enough information to judge whether the government is making the right decision or not in regard to this sale?

Ms. McClelland: No, I do not think so, no, from what I have heard in the last little while. I have not been following really closely, but I understand that I have sort of lost my trust in the process. It is one of the reasons I am here. I think we need to take a more active role as citizens to guide the process, yes. No, at the moment, I am not sure what is going on. I have friends who work

for the Telephone and are wondering if they are going to have a job, those kind of things.

Mr. Chairperson: Thank you very much for your presentation, Ms. McClelland.

I have been advised by the Clerk's Office that Katharina Stieffenhofer was called, and she was not here earlier. She is here now and would like to present. She was No. 10 on the list. Is there unanimous consent of the committee to hear her at this time? [agreed] Please come forward. Please proceed.

Ms. Katharina Stieffenhofer (Private Citizen): Thank you very much for hearing me. Again, I am a private citizen. I am not in the habit of making public presentations, so please bear with me while I practise as well. As much as I appreciate being here, I also resent having to be here. I have to say I am angry about the process.

My background: I am an artist; I am a mother. I am struggling to make ends meet. I have a million other things to do. I feel like I am five years behind in what I am trying to do. One of the things I am trying to do is to pay my telephone bill. That is not an easy task for me to do. I should state, if that is not already obvious, that I am against the sale, the privatization of MTS, again reiterating that if this becomes a private, for-profit company, I cannot see how the citizens will benefit from this. The bottom line is going to be the important thing. Profits are going to be the first thing in order.

On my way in here, I was coming up the stairs and down came Gary Filmon. I greeted him, and I said, do not sell MTS. He smiled at me; he gave me a great big smile. I thought, what does that mean? Is he listening? I turned around, and I said, listen. And, I would like for you to listen to me. I am a citizen. I am a user of MTS. I did not hear when you were running for government, being elected, this was not mentioned, the sale, the privatization of MTS. I contacted—I believe this is Glen Findlay's department. I contacted his office. I got to speak to, first, his secretary, and that was not satisfactory. I spoke to his assistant. I was very disappointed and again angered at the response I got. One of the responses that angered me the most was, we are elected; we can do pretty much what we please.

I think this is wrong. There have been no public hearings on this, on the sale, which I think is very important. You make it very difficult for the average citizen to have public input. Now, I am an artist. My time is flexible, but I think of all the people who have to work during the day.

I would like to come back to the process of making these presentations which I find very difficult and not really easy access for the average citizen.

My parents farm in rural Manitoba. They live an hour southwest of here. My mother is very interested. Ruth Stieffenhofer, you called her name before. She is also against the privatization of MTS. Now, she is elderly, has high blood pressure and is very nervous about making public presentations, but again, this being wintertime and with this awkward scheduling of presentations, she is not able to come in to make her presentation. I guess I would try and speak on her behalf if that is possible at all. We speak on a daily basis and keep in touch that way. There have been numerous occasions when they needed something, when they have been ill, where they needed their phone, and from what I understand, what a privatization of MTS would do, then the phone rates in rural Manitoba will go up. So the phone service is very vital, especially in this climate, for rural Manitobans.

I have lost my train of thought, but to get back to what I was saying, I feel that this process of a) bringing this bill through Legislature without public input disregards and makes impossible a democratic process. Then again, the form of these presentations, the way they are scheduled, last night I was out with my kids trick or treating. I just came in to warm up, and there was a phone call informing me that there were more presentations scheduled for Saturday and Monday. No mention was made of Friday. It was another phone call this morning, not from the Clerk's Office, that informed me that my name was on the list for this morning. Again, I usually have to carry a little black book with all of my appointments, with all the things to do, and to just jump up and go, I do not know, speaks perhaps of a certain arrogance or even intent of not hearing people. I would like, if it is possible, to maybe hear something about this process and if there are any ideas out there to change this process to make it easier for people to have input.

Mr. Chairperson: Thank you very much for your presentation.

Mr. Sale: I think those of us who sit in the House and sit around the table forget how anxious we might have been the first time we had to make a presentation or to speak or to take the risk of publicly stating how we feel about something, and it is not an easy thing to do the first time, and even though some of us may look confident it is not always an easy thing to do the second or third or fourth time either. So I appreciate what it means to try and speak your feelings about something in a public way, and it is commendable that everybody takes the time to do that.

I also appreciate very much the reality that our hearing process is not particularly thoughtful in terms of how it affects people's lives. Many public bodies do in fact schedule hearings where people have time slots assigned and can negotiate those time slots, and I am sure those opposite and others in the room have been to such hearings that are public, but you are slated for 10:15 on Friday morning and so you can plan your life to some extent. So I think we need to look at that, and I appreciate your challenge to us to try and make our processes more respectful of people.

I wanted to ask you—your family you say is about an hour southwest of here or so, and they are seniors. Do you have any sense from talking with your parents or visiting in your home community of how others in that community feel about both this specific decision and the process?

* (1110)

Ms. Stieffenhofer: I have to say Sperling is not my home community. I grew up in Germany. I am an immigrant and so are my parents. I do not spend that much time in that community that I could speak about the way the people feel in that community. I can only speak to how my parents feel. I remember when they first emigrated from Germany in 1977 and when they bought the farm that at that time they were still on a party line—that to me was a real novelty, I had never experienced a party line before—and then how happy they were when they finally got a private line and how much more convenient that was to them, and they got that without a raise in rates, I do not think. I did not think that cost them anything extra to get the private line, and again I

think that is also something that is a benefit of a public corporation versus a private corporation. But I know that both of my parents are strongly against the privatization of MTS.

Mr. Sale: Just a brief comment. You are absolutely right, and it is so ironic that the government that is proposing to sell the corporation was the government that instructed the corporation to proceed aggressively with the single party service and at the same time told the Manitoba Telephone System that they could not raise their rates quickly to recoup the borrowings and now blames the corporation for having borrowed the money to do what they did. So we have a very strange circle here, and I appreciate your observation that from the receiving end you thought that was good public policy. I think that many of us thought it was pretty reasonable public policy too, but now the corporation is being pilloried for having done what it was bid.

Ms. Stieffenhofer: And I am sure my parents would have been happy to pay extra for a private line, within reason of course, but it is so much more convenient, and you do not have the constant ringing, and when the phone rings you know this is your call.

Mr. Cummings: Thank you for your presentation. I was only going to observe that, as difficult as this process can appear to be from time to time, it is my understanding that this is probably the only legislature in Canada that follows this process to have input at second reading, and I think that in itself is a positive sign. I would only also want to point out, however, that when I was at one time in your position and the party represented across the way was in government, I did not get to present till four o'clock in the morning.

Mr. Chairperson: Ms. Stieffenhofer, do you wish to respond? The time has expired, but—

Ms. Stieffenhofer: I will be very brief. I do appreciate the opportunity to make a presentation, but I can see how, with little effort, this process could be made to be more thoughtful of the individuals who have lives and have schedules and to make it easier for them to participate. Thank you very much for hearing me, and I hope you are listening as well.

Mr. Chairperson: Thank you very much for your presentation.

The committee has received a written submission to Bill 67 from Jasper Robinson and family, and the submission has been distributed to all committee members. Does the committee wish to have it printed in the committee Hansard? [agreed]

I now call Diane Frolick. Diane Frolick, not here, her name will be dropped to the bottom of the list. Sean Espey. Sean Espey, not here, the name will drop to the bottom of the list. Alexis Sokal.

Alexis Sokal, please come forward. Do you have written copies for the committee? No.

Ms. Alexis Sokal (Private Citizen): No, I do not.

Mr. Chairperson: Okay, please proceed.

Ms. Sokal: Hi, I am a Manitoban, and I am proud of our heritage. I believe MTS is a part of that heritage. It belongs to the people and has been supported by the people for the last 88 years. I am on disability, so finances for me are a concern, and I know that I am not alone in this. There are a lot of people who are financially unable to have a lot of cost raises here, and telephones are extremely important to everybody. I feel that the Filmon government did not run on this platform that they were going to sell off MTS, and I think that they do not have the right to now decide that they should sell it off. It is like a trust company deciding to sell off someone's trust fund without consulting the individual who has put the money into it, and I think it is ludicrous and irresponsible on the part of the Filmon government to do this.

Another thing that is interesting is, right now we are on the brink of an information revolution, and communication is fast becoming a No. 1 commodity in the world. I feel, how does the government justify selling off the cable portion of MTS at a loss when it was valued for millions more than what they sold it for? That millions of surplus could have been used toward universal daycare, health care, education, aboriginal reservations. You know our province is financially exhausted, and here was viable income that could have been used in another area.

* (1120)

I think the government has acted like a dictatorship rather than as a democracy. Our politicians are supposed to be accountable to the people whom they are supposed to serve, and I feel that Filmon is acting like a Führer rather than as a Premier. On a TV interview on Wednesday night, Filmon said that the hearings were NDP grandstanding. I am not even NDP, so I do not believe that at all. I think there are many of us who are from different walks of life, who are just concerned citizens who believe that we should have our say here, and we are not. That was just a diversion tactic for deflecting his responsibility and accountability in this. I feel that the government is acting like a gang; you know, they do what they want when they want rather than think about the consequences, how it affects Manitobans in general, and I think that having a referendum on this and asking the people, what do we the people want, who supported MTS for 88 years, I think the people need to have their input. This company belongs to our children, and in a democratic society, I think we should have a choice. Thank you.

Mr. Chairperson: Thank you very much for your presentation. Questions?

Mr. Gerry McAlpine (Sturgeon Creek): More of an observation, I want to thank you for making your presentation and coming out this morning.

Did you know that—the honourable Minister of Environment (Mr. Cummings) referenced this prior to the previous speaker—this is the only province that offers these hearings prior to third reading? I think it is important to also know, and I hope that you will appreciate the fact that the previous speaker had the opportunity, any one of them through this process, any one person on this committee, would have been able to deny Ms. Stieffenhofer from making her presentation.

In 1971, a very important issue that came to the floor of the Legislature under the NDP, people who left for the washroom and missed when their name was called were denied access to this process. I think you would agree that we take this process very seriously. It may not be perfect, but it is something that the government of the day has a right to provide that access to the people so that they have an opportunity to give their say. Would you not agree that it would have been extremely disappointing

to not allow Ms. Stieffenhofer to make her presentation, or yourself, to this committee?

Ms. Sokal: Yes I do, and I think that as in all societies, we are evolving, and obviously you have evolved to a point where you are saying that maybe being in a set rigid form is not such a great idea because people sometimes cannot be here on time. That is great. I appreciate the opportunity to speak, but I also feel that because of the way it is set up, it is very difficult for a lot of people to come and speak, and I feel that there could be changes. There is always room for growth, and that is just a part of society. We are always evolving.

Mr. McAlpine: In saying that then, you do agree that we as a government have to look at the opportunities and the changes that are necessary in order to be the custodians that we are elected to be as members of this Legislature. Part of that is the process. We have been accused and it has been suggested by different presenters and members across the way that when we do not ask questions, we are showing, our side, that we are not interested in what is being said, and then if we do ask questions, we are abused and criticized for asking questions, that we have made up our minds and that we are not listening to the people. I think that also has to be said and also has to be carried to the people of Manitoba, what we are doing in our visions in terms of giving people the opportunity to have their say and to be able to come down here and take part in the process as individuals and as representatives of this province as individuals who live and work and raise families in this province. Would you not agree with that?

Ms. Sokal: Yes, I do agree, and I think, as you mentioned, you are a custodian, which means that as a custodian, people do not own what they are protecting or what they are watching, and by asking the people, that is what a democracy is supposed to do, but at the same time, I think there was a very aggressive push to not allow the process to take place, and that is what my argument is against, that there seemed to be a lot of discontent with having the process. What Filmon said in an interview on Wednesday was, he felt it was grandstanding by the NDP to have these meetings, and I think that is wrong. He was showing his irresponsibility by making that comment.

Mr. Chairperson: I am sorry. Time has expired. Thank you very much for your presentation, Ms. Sokal.

Ms. Sokal: Thank you. My daughter is right after me. She is unable to attend because she is in school, and she will be able to come tomorrow. Is it possible that she could speak tomorrow?

Mr. Chairperson: Well, at the present time, when her name is called, she will be dropped to the bottom of the list, but if she appears tomorrow, and through request to the committee, the committee then unanimously could hear her tomorrow. Therefore, I will call Ashley Sokal, and not being here, her name will be dropped to the bottom of the list. Sandra Koch. Sandra Koch, not here, her name will be dropped to the bottom of the list. Mike Keenan. Mike Keenan, please come forward. Do you have copies for distribution?

Mr. Mike Keenan (Private Citizen): No.

Mr. Chairperson: Okay, please proceed.

Mr. Keenan: Okay. Thank you. Mr. Chair, honourable members and fellow Manitobans, I have come here today to express my concerns about Bill 67 and its potential consequences for the people of Manitoba.

I am a student at the University of Winnipeg. I do not have a very big income at present. Like all of us, I have use for a phone. I live in a dangerous part of town. It is good to have a phone to call in case of an emergency. So I am concerned about the effects of this bill as well as many other bills now being discussed.

The privatization of public utilities such as the Manitoba Telephone System has become something of an article of faith for governments across this country. All the time we are told that the public interest is best served by a free and unregulated market, with all services such as telecommunications being owned by the private sector. Nevertheless, the people of Manitoba are deeply concerned by the prospective sale of our telephone system. In fact, the government itself seems to have been aware of this concern during the 1995 election campaign, for they told us in no uncertain terms that the sale of MTS was not being considered.

I wish to add my voice to those speaking out against Bill 67 and the process by which it is being pushed through. Well, what is wrong with privatizing MTS? In much of the world telephone services are already private, and we see a distinct difference in rate structures. It is no coincidence that MTS has the lowest rates in North America. As a nonprofit, government owned corporation, MTS pays less tax and lower interest rates on its loans. All these advantages will likely be lost if MTS is privatized. For example, Alberta's privately owned phone company, AGT, raised its rates recently by \$6 a month, three times the amount of the most recent MTS rate increase. Their reason? While AGT was already profitable, as indeed is MTS, the company felt that it was not making enough profits and the CRTC, our federal telecommunications watchdog, acquiesced and allowed the increase. The CRTC, obviously, cannot be relied on to protect us from needless rate increases.

As presently operated, MTS is required to consider the public interest in setting its rates. If privatized, it will have no such obligation, for Bill 67 contains clauses that remove this requirement. Rate increases will be particularly hard on the most vulnerable members of our society. Since social assistance programs do not consider phone service to be a necessity, welfare recipients who want a phone to keep in contact with potential employers or to call for help in an emergency must pay for it out of their already minimal living expenses. Many such people may no longer be able to afford a phone if rates increase significantly. It is appalling that this government would consider a measure that could make it harder for the unemployed to find jobs. It could also be fiscally irresponsible, considering the cost of keeping these people on welfare.

* (1130)

The effects of privatization will be particularly acute in rural areas. Some feel that rural and northern customers would pay \$40 or \$50 per month for phone service if rates are left to market forces. In spite of this, no hearings of this committee are being held outside Winnipeg, as other committees have been done in the past. It is irresponsible not to give those with the most to lose a fair chance to be heard. It is also irresponsible to institute a policy that will worsen the situation for Manitoba's already beleaguered farmers as well as for small businesses in rural areas. In addition to this, the

sale of MTS may worsen Manitoba's unemployment situation. The utility currently employs nearly 4,000 people, and a private owner could easily transfer many of these jobs out of the province if labour could be bought more cheaply elsewhere. In addition, contracts for research and development would be more likely to go to outside companies. Is this in the interest of Manitobans? I think not.

Aside from this, the Filmon government's track record on privatization is not impressive. We have already seen the sale of cable assets worth up to \$80 million for only \$11 million. This is not only bad government, it is bad business as well. When you add to this the fact that MTS makes substantial profits, \$15 million in the first six months of this year alone, which could be beneficial in balancing the province's budget, the government's business sense must be called into question. Although you claim to have included guarantees of local ownership in Bill 67, these guarantees are subjected to a self-extinguishment clause. Once MTS's debts to the province are paid off, the company will have no obligation to keep even its head office in the province.

Already up to 25 percent of stock in the company may be owned by foreigners, and once the self-extinguishment clause kicks in, possibly within as little time as a year, the remaining stock may be sold to anyone. This is particularly disturbing in the light of the Canada-U. S. Free Trade Agreement and the North American Free Trade Agreement, for should MTS eventually fall into American or Mexican hands, any future government that wishes to buy back the company to reverse potential harmful effects of privatization will be obligated to compensate the foreign owners for lost profits. For this reason, reversal of privatization will probably be unfeasible, and so it is thoroughly irresponsible to sell off the service without a proper examination of the consequences.

The study that recommended privatization is not to be trusted. All that has been done is an audit by three bond rating agencies. Aside from the clear conflict of interest, the agencies stand to profit from the sale of stock and so have a vested interest in privatization. The study made no attempt to assess the effects of the sale on the province as a whole. If you were the directors of the corporation and sold a major asset of the corporation without properly consulting the shareholders or studying the

effects on the entire company, you would not keep your jobs for long. Well, the citizens of Manitoba are the shareholders, and we demand that the government take our concerns seriously.

You have an opportunity here. By acknowledging public concern and withdrawing this bill until its consequences have been properly assessed, you may escape the fate of other politicians who have ignored the will of the people. Brian Mulroney did not listen, and he is now perhaps the most hated person in Canada. Do you want to be remembered as having sacrificed one of Manitoba's finest assets for short-term financial gain? It may not be merely the careers of MTS's 4,000 employees that are in danger if you proceed. Thank you.

Mr. Chairperson: Thank you very much for your presentation.

Mr. Sale: Thank you very much. You have obviously tried to absorb whatever information is available, which is not much. Do you have any sense of whether there are other studies that maybe you have not had a chance to read or you have not seen? Are there things out there that you just would like to read but you have not?

Mr. Keenan: I imagine there are. I am doing this on pretty short notice, so I have not had the chance to find all the things that may be out there.

Mr. Sale: I think, Mr. Keenan, you probably have found all the things that are out there, because we have asked that question a number of times. We have asked, did MTS commission any studies? For example, when they were being dragged into the Faneuil deal against their will as a corporation, they undertook immense amount of due diligence to try and find out who this company was that they were being forced to do business with. They spent a lot of corporate money and energy to sort that question out. Now those studies were not published, but they were done.

In this case, does it strike you as odd that there have been no cost benefit studies, no rural impact or northern impact or even overall impact studies done and made public, so that the public of Manitoba might understand why suddenly after promising not to sell it, selling becomes such an urgent priority of this government?

Mr. Keenan: Well, it is a mystery to me. It seems only sensible to do proper cost benefit studies on something as big as this. Perhaps they forgot.

Mr. Sale: Thank you. I would have to disagree with you, Mr. Keenan. I do not think they forgot. I think the difficulty is in a narrowly ideologically undertaken decision, there are no clothes for the emperor to wear. So attempting to deal with nakedness is very publicly embarrassing. I think that that is the difficulty that we have got in this case, that there are no studies because there cannot be any studies that would support the government's position from an overall benefit to Manitobans.

In terms of your friends in the university community, would you say you are a minority in this issue? Have you discussed it at all with others? What are others' views?

Mr. Keenan: I do not know how representative my friends are of the university community, but the ones that I have discussed this with are totally in agreement, that the sale of MTS is a bad thing, as well as many of these other bills. There are something like 70 bills that are being put forward right now, and there are hearings like this for all of them. It is difficult to keep track of all the different ones.

I would not be surprised if a lot of them are not even aware that MTS is being privatized, but I am sure that, if they understood what the possible consequences could be in terms of rates, they would feel the same way.

Mr. McAlpine: Mr. Keenan, and you are not the Mr. Keenan I know in another life. That is fine and it is nice to have you here to present to us this morning. I would just like to ask you, this MTS privatization is a very important issue. I think it is a very important issue to all Manitobans. Would you not agree that it is far too important to be using this as political posturing that we are sometimes experiencing? Would you not agree that it is far too important to be playing politics with this issue?

Mr. Keenan: Well, you could say that. Unfortunately, it becomes a question of who is really playing politics because there have been many serious concerns based on real bread-and-butter issues for ordinary people that have been raised and seem not to have been taken into account

in bringing forth this thing. As I said, privatization seems to be sort of an article of faith among much of the political community these days. Faith is fine, but when dealing with issues that affect people, it is important to make sure that that faith can be backed up properly. That is what I think.

Mr. Chairperson: Thank you very much for your presentation. Time has expired.

Mr. Keenan: Thank you.

Mr. Chairperson: Mr. McAlpine, on a point of order.

Point of Order

Mr. McAlpine: I realize that Mr. Keenan's time has run out. I respect the process because I think it is a very important process. Just let the record show that I have been here for the last three nights and so on, and again this morning. We talk about the political process. My observation that there has been a gentleman that has been running around all through this whole process at the back doing this for the NDP and collecting all these names, and managing this whole affair, so I would like the record to show that for your benefit, Mr. Keenan.

* * *

Mr. Chairperson: Call Nalini Reddy, not here, name will drop to the bottom of the list. Willem Janssen, not here, name will drop to the bottom of the list. Tim Byers, not here, name will drop to the bottom of the list.

Kemlin Nembhard. Please come forward. Do you have copies for distribution to the committee?

Ms. Kemlin Nembhard (Private Citizen): No.

Mr. Chairperson: Please proceed. We have a presentation to go, so please proceed, Ms. Nembhard.

* (1140)

Ms. Nembhard: Hi, my name is Kemlin Nembhard. I do not have any written stuff to give out. Before I begin my presentation, I just have to comment on something that was brought up in the last presentation that makes me really angry, really angry right now.

This comment about the process, you know, if you are really concerned, if this government is really concerned about actually listening to what people have to say in this province, this process would be a lot more open. I do not know which one of you commented on being here at three o'clock in the morning, or two o'clock in the morning for three nights in a row, if you are really concerned about making this process open and meaningful, people would not have to be coming in at three o'clock in the morning when they have to work in the morning or go to school in the morning or whatever to present ten minutes to you. You would be making this process much more open, much more accessible. You would not just be having these meetings here in Winnipeg; they would be throughout the province. They would be over a great period of time. There would be public hearings. I just feel that I really have to comment on that, because it makes me really sick, quite frankly.

But what I am here to comment on right now is Bill 67 and my concerns over Bill 67 and the fact that I really feel the need to express those concerns. The brunt of my concerns are really focused on the idea of the public good and the fact that this piece of legislation and this government is really not considering the public good by selling off MTS.

Let me elaborate. Now, firstly, the government has no mandate to sell off MTS. The Filmon government repeatedly asserted that it would not sell off MTS during the provincial election in '95, as well as repeatedly in the House. Not only has the government promised it would not sell off MTS, not only has it not had any consultations with the people of this province on the planned sale, but it has required MTS to spend nearly half a million dollars on things like the misleading and completely one-sided MTS Answers letter that went out last week, and it has not had any time or spent any money on meetings or consultations on the issue.

The government seems pretty willing to do little meet and greet events in certain areas of the city, but you will not come out and face the people of this province in an open and democratic process.

Thirdly, the experience of other provinces has shown that private companies are likely to increase rates much faster than publicly owned companies. MTS has the lowest rates in North America. Among the reasons for

this is that MTS is a nonprofit Crown corporation. Will rates remain low if the newly private company must, among other things, satisfy shareholders' demands to increase profits every year? That is hardly in the public interest, for the public good.

The government claims that the CRTC will protect Manitobans from rising phone rates, but this is the same federal body that allowed AGT to raise its rates not because it was losing money, but because it was not earning enough profit. Now, is that really in the public good?

MTS is required to consider the public good and provide affordable service throughout the province, whereas there are clauses contained in Bill 67 that specifically overrule the requirement to put the public good ahead of profitability, things like there are a lot of people in this province who will probably really be hurt by the privatization of MTS that this bill does not take into consideration. For instance, rural and northern Manitobans may have to pay up to \$40 to \$50 a month for phone service. Is that really in the public good?

The MTS current rate structure ensures that people in rural Manitoba do not have to pay huge rates for their phone service monthly. Will this happen under a private company? Probably not.

If we look at the welfare system, welfare does not recognize the telephone as a necessity. For those people who have never been on welfare, you probably cannot realize what it means not to have a phone. How many people on fixed living incomes will lose touch with their friends, with their families, miss out on job opportunities, find themselves in danger of losing their telephones? There are already a good portion of people who are on public assistance who cannot afford to have phones as it is.

Fifthly, nearly 4,000 Manitobans are employed by MTS. Many of these jobs could be easily transferred outside of the province under a private company. By keeping MTS publicly owned, we ensure that the \$400 million MTS and its employees spend in the province every year will stay in Manitoba. That is like what the past presenter just said. It is bad business to take that money out of the province, and that is a really big threat by selling off MTS.

Another thing is that MTS is profitable. In the first six months of this year, MTS made \$15 million in profits. Why would we sell off a profitable company?

Under Bill 67, individual shareholders would be able to buy as much as 15 percent of the company, and up to 25 percent of the company can be foreign owned. Again, that is taking the money out of the province, out of the tax base that is here in this province. You know, it just does not make good financial sense.

Now, the government says that it needs to sell off MTS to finance new technological developments. The fact is that under public ownership, MTS can put in place one of the most advanced fibre optic systems in the world and make a major investment in rural Manitoba. There are lots of alternatives that the government could look at, like, for instance, amalgamating with SaskTel, which has indicated an interest in joining with MTS. There are also things like selling MTS bonds like the HydroBonds, things like that. There are a lot of options that this government has not even bothered looking at.

The bottom line is that MTS is profitable. It provides affordable rates, good service and employment for Manitobans. There really is not good reason to sell off MTS. As well, I think, you know, really the fact is that to consider selling off MTS, to even consider passing this bill, this government is clearly showing that they do not have the good of the people of this province in mind. I urge this government to reconsider, to look at other options like investing money in this province instead of taking it out, as well as initiating a truly open process of having truly open public hearings, public consultations, of listening to the people of this province.

Mr. Chairperson: You have two minutes left.

Ms. Nembhard: You know, when I was sitting at the back of the room waiting for my name to be heard, I would keep hearing about how they think this process is—people who are coming and presenting here are put here by the NDP. That is not the case. People who come here take the time to come here. I have stuff to do. The NDP does not pay me to come here and make a presentation to you. People come here because they are concerned for the future of our province, they are concerned for the welfare of our province and the people of this province, and, quite frankly, this government has not shown that they

have that concern by not even initiating an open process with the people of this province. So I think I will probably finish there with my sort of presentation.

Mr. Chairperson: Thank you for your presentation. Questions?

Mr. Sale: Are you aware that government backbenchers are travelling all over Manitoba to talk about child care and child welfare and holding public forums, open discussions at this present time over issues which are very important, but I am not sure that they are any more important than the selling of this corporation?

Ms. Nembhard: No, I was not aware of that.

* (1150)

Mr. Sale: Well, they are, and I commend them for doing that. I think that is a good thing to be doing, to be listening to people before you form your intent to undertake major public policy change.

If you could sketch out for us, because I know that you have had some experience in forming policy at the level of university interest, university affairs, what would constitute the bones of a just and reasonable process for a major decision like this from your perspective?

Ms. Nembhard: Well, first, the government has to undertake unbiased information, you know, getting that out to the public through a variety of mediums, everywhere from TV, radio, print media, not just like the Free Press, but also like the community papers, things like that—for instance, I do not have a TV, so if there are ads, I do not see them—billboards, that sort of thing that are unbiased, talking about what the government is sort of considering and that they would like to get input from people as well as making information about the corporation as it is right now, about different situations throughout the country, for instance, places that have private corporations, places that do not, the different situations, things like that, making information like that available to the public.

The process would have to be a lot longer. You cannot expect people to come out over three days or three nights, to put their entire life on hold to be able to come and make presentations at hearings. You have to make the

hearings themselves, the consultation process really open and accessible to people so that people who work can come. You have to do things like set up a time where people can come and give people appointments, for instance. It would be much easier for people who work to come if they knew, okay, I have to do a presentation at ten o'clock. It is much easier for them to take the time to do things like that as opposed to saying you are No. 167 on the list, call back in the afternoon and see where you are down on the list. That is really inaccessible. So those are some of the ideas.

I think one of the most important things, though, is getting the information out to people that is unbiased, that is honest, you know, not being misleading as well. Like I said earlier, the government was pretty clear when they said in the last election that they were not going to sell MTS and reiterated that again and again in the House, yet this is something that you are trying to pass through this session of the Legislature. That is not sending a very clear message to the people of this province, and that is something that is really important.

Mr. Ben Sveinson (La Verendrye): The question was asked, if you knew that there were backbenchers running all over the province—

Mr. Chairperson: Could you move the mike closer to you, Mr. Sveinson?

Mr. Sveinson: I am sorry—talking to people about other things other than this legislation. I would ask the question, if in fact you know that there are backbenchers and ministers all over this province talking to the people about this legislation and about all legislation that we have on the docket right now. I travel about roughly 40,000, maybe even more, miles a year. Miles, in my constituency. I see and meet with approximately two groups, maybe three, a week. Those people, in numbers, range from 20 to 600 people. I have talked to them about MTS and about most pieces of legislation that are in front of us in the Legislature.

I have received—and I just have it noted down here—three calls for clarification by phone, one call against, one letter. I have spoken to five MTS employees who said they agree with the change, with the selling of MTS, or privatizing, and I have had two people who were concerned and wrote me letters about the pension.

I would also like to point out to you and to many others who have presented here that there has been much said about this legislation on TV, newspaper, radio. MTS has indeed held meetings throughout the province, spoken to municipal and chambers of commerce, et cetera. I do believe that there is a lot of information out there. The one last thing that I would just like to point out is that since deregulation or competition being introduced into the market my phone bill, which was around the \$300 mark in a month is now less than half that. It is just something to think about. If you would like to respond, Kemlin, you can go ahead now.

Ms. Nembhard: If you are undertaking things like that, that is commendable and that is also part of your job, talking to your constituents. But I think as a government, when you are proposing major changes to the laws of this province not only do you have the responsibility to go to your constituents individually and talk to your constituents, but also things like having open public processes as the government where people can come out and question, not just you, but other people in the cabinet on the different issues. That is really important.

As well, you know I would like to think that I am a pretty informed person. I read the paper every day. I listen to the radio and, quite frankly, I have not seen very much on not only this bill but on the other 70-odd bills that are passing through this Legislature this session, and that is a problem. As well, when I talk to let us say my parents, right, they have not heard a lot either. When I talk to their friends, they have not heard a lot either. There is a big problem there. There is a real lack of information that is out there, and that is a reality. There are a lot of people who feel that, and I do not feel that this government is really performing their responsibility in getting information out to the public.

Mr. Chairperson: Thank you very much for your presentation. The time has expired. Thank you.

I call Beverly Hawkins. Beverly Hawkins, not here, name will drop to the bottom of the list. Brad Loewen. Brad Loewen, not here, name will drop to the bottom of the list. Ralph Atkins. Ralph Atkins, not here, name will drop to the bottom of the list. Bruce Odlum. Bruce Odlum. Please come forward. Do you have copies for distribution to the committee?

Mr. Bruce Odlum (Private Citizen): Yes, I do.

Mr. Chairperson: The Page will distribute them. Please proceed.

Mr. Odlum: I have one copy which has our petition attached to it. I do not have the petition copied 15 times. So the top one has the petition attached to it, and then I have a number of others which just contain my text. The petition is not long.

Mr. Chairperson: We will have the petition copied for you, Mr. Odlum.

Mr. Odlum: Okay.

Mr. Chairperson: Please proceed.

Mr. Odlum: Thank you. My name is Bruce Odlum. I am a resident on the Stafford-Wentworth block on McMillan. We are quite concerned about what is going on here. I work as a business development consultant and quite a lot of my work is in rural Manitoba or in remote communities, First Nations communities, northwest Ontario, and Manitoba. I also do some work in the core area as a volunteer with the Volunteer Centre of Winnipeg, and personally I do a lot of my work, because of the distances involved, by fax, E-mail and less and less actually by hard mail, hard copy. If I do, I usually want to get it there in a hurry and I use airplanes to get material in and out of communities.

But as far as I am concerned, and I have been down here three or four times now in order to find out where my number is on the list, it is a very difficult process that is set up here for public hearings for the community to participate in. As a consultant, I keep moving around the furniture on my desk in order to be here so that I can make a presentation to the committee. Being self-employed, I am able to do that and walk out of my office when I feel like it. It means I have to work late into the night, but I can do it, and most of the people who are concerned about this sort of process are not able to do that. So, you know, I think access is a very important part of the legislative process. As far as governance is concerned, I think the present process is not really quite sufficient, and it is my recommendation that you do go back to a different and a more open public process than the one you are currently pursuing.

* (1200)

In my work as a management consultant it seems to me that more and more people want—when I talk to people, they want less government; yet, simultaneously, they are asking for more from government, and it is a kind of a real dilemma. There is a tension developing because political parties have aligned themselves between the market and between social orientations, and at the centre of this tension emerges widespread disillusion with government and, in particular, with the behaviour of governments following elections. Repeatedly, of late, political parties promise one thing during an election and do the opposite once they have gained power.

There is no clearer case to illustrate this abuse than Bill 67, the present. The Tory government campaigned with a promise that MTS would not be sold. Now Bill 67, sponsored by that government, puts MTS on the block. My question to you is, when you make a promise like that, is it not a covenant with the electorate? When you break that covenant, is there not liability? If there is liability, when does the liability become fraud? When is it illegal?

The government is reminded you do not own these assets; you are trustees. I work a lot with volunteer boards in the public sector. They are not their assets. They are responsible to the community for how these assets are dealt with. This government, specifically, by its own pledge, I wish to emphasize, does not have a mandate to sell MTS, period. Do you wonder why few people these days do not have a good word to say for politics, the political process or politicians?

We are told there is a lot wrong with MTS, that it is in debt. Then we find out it is producing substantial profits and that the debts are easily manageable. What is the public meant to think about this issue? Last weekend a supplement of the Winnipeg Free Press carried an article which promised a brilliant future for MTS. So who is right? On the one hand, MTS is in deep trouble and only privatization can save it, and on the other hand absolutely rosy and a brilliant future beckons. It should be noted it is only the government that is saying MTS is in bad shape. Everyone else says MTS is a well-equipped, professionally run, profitable public utility, a model in the way it balances its public responsibilities with a substantially profitable bottom line.

In order to get the best for Manitobans, we should be examining the existing legislation and enabling MTS to ensure no outside competition can access our infrastructure and then compete unfairly. The legislation must provide MTS with the abilities to continue to provide quality, affordable telecommunication services throughout Manitoba. It is solely in our interest to ensure that there is no free ride in our community for any competitor. We worked long, hard and successfully to build MTS. We must not throw it away on any flawed ideological idea such as the market. Raise the telephone rates if MTS is in debt, raise the rates to all those other competitors who use our infrastructure, too. They should compete equally. Whose telephone company is this anyway? It is ours, and we can depend on it to make the right decisions regarding its future.

Beyond this issue looms the fact that should this government plan to sell MTS and it goes through, then the sale of Manitoba Hydro, Autopac and everything else cannot be far behind. However, beyond the bottom line values of business is the question of service to the rural and remote populations that I mentioned earlier. Nearly a third of us reside outside the Winnipeg catchment area. For many living in small rural communities, those living and working on farms, those further in the bush in mining communities, and those living and working in First Nations communities, to all of them we have an enormous responsibility. Low cost, reliable telecommunications is essential—

Mr. Chairperson: You have two minutes left.

Mr. Odlum: —to their social and economic survival.

I am sorry, I have used up all my time. What a shame.

Mr. Chairperson: You have two minutes left.

Mr. Odlum: I have a petition here which has the support of many of the residents on the block where I live on McMillan Avenue. We are a middle-Manitoba kind of family, many of whom might well have voted Conservative in the last election. Not everyone was home, otherwise I am pretty sure I would have collected more signatures. My list includes two architects, one physician, one accountant, five independent business people, one export consultant and four students. Not everyone I visited was at home, and I expect that if I had

been able to get more, there would have been more. There are 18 names and addresses on our petition, and should I go around again I could probably get another three or four more households that would sign. There were two people who said they would not sign. One had a grievance with MTS over a monthly billing, and the other one just said, the government is right, they should do it anyway.

So that is all I have to say, Sir. It is really a good day for me to come down here and to be able to make my presentation to you.

Mr. Chairperson: Thank you for your presentation. Questions?

Mr. Sale: Mr. Odlum, you are a management consultant. You have obviously helped prepare business cases and economic development proposals for a variety of groups, nonprofit and aboriginal. If you were looking at a company that had some debt, but it required about 16 cents of every dollar of its income to service that debt, would you consider that a burdensome debt load?

Mr. Odlum: With regard to the amount of leverage that would be against that corporation, that is perfectly manageable in my opinion.

Mr. Sale: If you encountered a corporation that you are working with that was able to meet virtually all of its capital requirements from internally generated cash flow, and in fact had spent \$750 million over the past five years while only modestly increasing its debt level, would you consider that company to be in deep financial trouble and greatly at risk?

Mr. Odlum: No, I would not.

Mr. Sale: Mr. Chairperson, our presenter, Mr. Odlum, has said that he counts on the availability of effective telecommunications as a critical tool for doing his business and, presumably, for his clients. Do you sense that telecommunication policy is, if not the most important, at least one of the most important levers that any modern economy has?

Mr. Odlum: Absolutely. It is one of the biggest concerns of the communities where I work, and at the present time, through a federal program called community

access, we are actually writing four proposals at the present time to put these communities on line with full Internet services so that their isolation can figuratively be reduced through the information they will be able to get off the World Wide Web, and so on.

Mr. Sale: Mr. Odlum, do you see business opportunities in the North that are primarily or, at least, very significantly dependent on affordable telecommunications possibilities in current technology and also coming technology?

Mr. Odlum: Absolutely. At the present time, I am working with one rural community that is setting itself up to establish a remote printing press. It would not be in a position to compete in this market if it was not able to offer 800-numbers for fax, telephone, e-mail and so on, but they are going to be viable according to the data.

Mr. Sale: Just one last question, Mr. Chairperson. In that particular example, which I think is increasingly exciting, and I might just share briefly that the Baffin School Division on Baffin Island, has printed over 220 basal readers in Inuktitut, storyboarding them in Baffin but having them printed in Montreal, and all of the work is done in Baffin except the actual physical printing. They sell those in circumpolar nations, and they could not do any of that without telecommunications. What would happen to the viability of your proposal if the costs of telecommunications went up by a significant percentage, let us say even modestly, 50 percent, as opposed to the tripling we have heard might happen, but let us just say 50 percent?

Mr. Odlum: In a business plan of this kind, the telecommunications bill would be an important part of the costs of doing business. For many of the inquires that one receives over the 800-line, possibly only 30 percent of those calls would result in business, and so a 50-percent increase based on our projections at the present time would make many of these opportunities in rural and remote Canada not viable.

Mr. Chairperson: Thank you very much for your presentation, Mr. Odlum.

Mr. Sale: Just for members of the public and members of the committee, could we canvass the committee and have a sense of what we are going to do over lunch? I

presume we are going to be here till three from the looks of the list. Mr. Chairperson, could you ask the committee what the will of the committee is in regard to lunch for staff and us and the public in particular?

* (1210)

Mr. Chairperson: Just to bring you up to date here, Rule 81.(2) allows the government House leader to schedule meetings, and his announcement was that the committee would meet from 9 a.m. till 3 p.m. If there is consent, however, of the committee, the hours may be varied. So what I will ask is, what is the will of the committee—that we have a break or that we do not have a break?

Mr. Cummings: Mr. Chairman, I am not hard on this position but in the interests of people who have attended and might want to get away, I would encourage us either to keep going or take a very short break.

Mr. McAlpine: Yes, Mr. Chairman, I think, in the interests of the presenters here, that the committee can find some means to accommodate them and to continue with the presentations. We certainly do not want to inconvenience anybody in this, so I would, with the indulgence of the committee, recommend that we proceed, and I would so move.

Mr. Chairperson: It has been moved that we keep proceeding right through.

Mr. Sale: Mr. Chairperson, I do not think we need a motion. I was not opposed to proceeding. I simply wanted everybody in the audience to have a sense of whether they could go and have lunch for 15 minutes if they were presenting, were they going to miss their spot by so doing, so they would have a sense of what we were doing. I have no problem with going through, and I do not think we need a motion to agree to do that.

Mr. Chairperson: Okay, so we carry on. I would like to call Jack Samyn. Jack Samyn, please come forward. Do you have copies for distribution?

Mr. Jack Samyn (Private Citizen): No, I do not have a copy. I am just going to speak from the heart.

Mr. Chairperson: Thank you. Please proceed with your presentation.

Mr. Samyn: I speak in opposition of this bill for many reasons. In the first place, I do not think the government has a mandate to sell the MTS because it is owned by the people of Manitoba to begin with, and it does not have to be sold.

The government was asked in the last election if they were going to sell the MTS, and they emphatically said no, the MTS is not for sale. I am not surprised that government is held in low esteem by the public when you see the action of this government and some other governments, when they promise something to the people and then they make a complete turnaround and change things just to suit themselves. I am questioning the integrity of the government and believe that they are doing this on ideological reasons and nothing else. Maybe it is payoff time to whoever supports the Conservative government.

The MTS has served the people in Manitoba very well. There was no private industry in the past that was willing to create a corporation whereby the people could have a telephone system the same as having the Manitoba Hydro. I am afraid that if this government stays in power too long that the Manitoba Hydro will be sold at the same rate and at the same speed as the MTS will be sold.

I think there is also within legislation succession rights for companies being sold, yet there is nothing in this bill that gives the workers and their unions succession rights when the company is sold. Why, if it is a Crown corporation that is sold, is it that the rights of the employees are not protected?

I do not know what the government has in mind with the superannuation plans, and I am sure that there have been some groups here presenting to you very concerned about their superannuation plan. I think their plan is in jeopardy. If it has to be sold, why cannot those plans stay intact whereby the employees employed by that corporation keeps on the continuation to the superannuation plan, but not be sold out to whoever it is? It was the same government under Roblin that did not contribute simultaneously on the pension plan to the superannuation because his argument was Crown corporations will always be in business. Government will always be in business. There is no fear that the funds will be absconded with. While we see what the government is doing, by selling it they put the superannuation plans in jeopardy. I do not think that

there will a competitive rate anymore and the people in Winnipeg are probably—especially the business people—going to be the big beneficiaries from it, but the outlying areas will be very much harmed by it.

I do not think the government has even looked beyond this one, because they are advised by the people they are forced to sell it to. Look at England where they privatized the telephone system. Are we going to be subjected to the same thing—poor services, pay per call? That is what happened there but, obviously, they did not look at that one because it does not fit into their plan. Look at Alberta. They said it was not going to increase but it has. It will not increase, the rates will not increase immediately but, promise it, it will be in the future. The other part of it, it is not reversible. Once it is sold, it is sold, because with the Free Trade Agreement you could not even create a Crown corporation as the MTS, Autopac, Manitoba Hydro, because that will prevent it.

Also, why is the government so afraid to have hearings outside Winnipeg? Does Manitoba stop at the Perimeter Highway? They hold hearings on other aspects of what the government wants to do in outlying areas—Brandon, Dauphin, Flin Flon, Thompson, the large communities. No, they do not want to go down there because they do not want to make it too convenient for those constituents to make a presentation. This is a very important thing for the people, selling the MTS.

You people, the government does not own the MTS. You are the trustees of the corporation. You sold aspects of the telephone system to make other corporations, private corporations—to be in operation. It is tantamount to saying, fine, I would like to set up a restaurant in the Hudson's Bay because the traffic is high, and the government makes legislation whereby they have to give me, at a certain rate, so I can have space down there. That is what they have done. Certain assets of the MTS were sold to those corporations so they could compete in the long distance. They made it possible. They did not invest much money in it. The taxpayers invested money into it. Why do we have to give the MTS away to corporations that were not interested in creating a company of that nature?

I would say that this bill should be withdrawn and at least, the least you can do, temporarily withdraw and go out to the people in Manitoba to find out what exactly

they think, what the government is doing, and pointing out that you said to them you were not going to sell it. It is ironic that you people can appoint three companies to do an assessment on the financial statement or on their assets and then the same companies are going to sell the MTS. That is all I have to say. Thank you.

* (1220)

Mr. Chairperson: Thank you for your presentation.

Mr. Daryl Reid (Transcona): Thank you, Mr. Samyn, for your presentation. You raised issues relating to successor rights and the issues that pensioners have raised with this committee, and I know that I have received some letters and phone calls from my own constituents with respect to this matter. Of course the government is intent on, through this legislation, not allowing current employees and in fact even pensioners, no say on the transfer of those pension funds and in fact that the pension funds themselves will not be jointly controlled or directed as joint trustees under this legislation, that the new owners will determine how those pension funds are cared for. Do you think that this government is treating the former employees, the pensioners of MTS and the future pensioners in a fair manner by not allowing them to have a say in how their pension funds are managed in the future? Perhaps, you would care to comment on that.

Mr. Samyn: Well, I think that they will, obviously, lose a say because right now under superannuation they have the right, you know, within to elect a member on the board. The corporations do appoint some, but they will lose that eventually because they are not going to contribute, obviously, to the superannuation plan. The retirees will have no more input because there is very little representation by retired members of the superannuation. It is still only through the contributors of the Crown corporations and the government employees.

Mr. Reid: You recall, Mr. Samyn, the time when there was another company that used to operate in this province that owned the Dominion stores and the fiasco that happened when the owners of that company decided that they were going to dip into the pension funds of the employees that the employees had contributed over the years. It only took, I think it was the federal courts, to

stop that. Do you see that that is a possibility here, that there can be some misuse of pension funds if the employees are not allowed to sit in on—in trusteeship of those funds and that the government should perhaps revise this legislation to allow the employees to have some say in how those funds are managed in the future?

Mr. Samyn: Yes, I am definitely afraid of it because it happened, and there is a Supreme Court decision made on the Ontario Hydro pension plan whereby the Ontario Hydro decided that the surplus funds of the thing belonged to the corporation, not to the employees, and that court decision stated that the corporation was wrong. As a matter of fact, they had to return the monies that they used for their benefits that was considered surplus, plus interest.

Mr. Reid: Thank you for those comments. There was another company, too, that my colleague Mr. Sale just drew to my attention that is very familiar to me, CN Route. When CN, of course, was a Crown corporation they sold—were forced by the federal government to spin off that activity. It was sold to private hands and the employees that went with that CN Route into private hands, and the pension funds associated with it were ultimately lost. I know I have people in my own constituency that lost everything. They lost their whole future when those funds disappeared, and even though the people are now before the courts, my constituents have no future and they are of retirement age. So they were significantly disadvantaged by unscrupulous people siphoning pension funds, and that is one of the reasons why I asked you these questions, that there is some likelihood.

Do you think that this government should, because you mentioned the successor rights being missing from this legislation—while I understand that you are opposed to Bill 67, do you think that this government should build in successor rights to allow the employees in the future corporation under another name, other than Manitoba Telephone System—should have those successor rights for their representatives?

Mr. Samyn: Yes, I do. If it is good enough for the other ones, why is it not good enough on the Crown corporation if, and I do not propose that they sell it, but if that would be the case, I think there should be successor rights because we know what is going to happen when they are taken over by private enterprise.

They are just going to lower their standards; they are going to lower their wages because they are not going to deal from what they have today. So there should be a successor rights for all the people that are working down there.

Mr. Reid: The government likes to talk about MTS, the Manitoba Telephone System, being unable to compete. Are you aware, sir, that this government has provided, through the ministry responsible, directions to the Manitoba Telephone System to sell off the cable system network and that that network had been valued at \$63 million and yet this government allowed that portion of the MTS system to be sold for \$12 million? Perhaps you would care to comment on that.

Mr. Samyn: This is exactly what I alluded to, that part of the MTS was sold at an underrate so that they could compete with the long distance rates. It is not by design. You know, it was by design, obviously, by this government because that is the way to say they are not profitable.

Mr. Reid: This government likes to tell the public as well that MTS is unable to compete technologically under its current Crown corporation position. Are you aware, Mr. Samyn, that just this week MTS announced that they were getting involved in new technology that has been in field testing now for several months that will allow MTS to move into the new technology era, allowing them to utilize the existing telephone copper lines that will allow them to compete effectively with other companies of the world in the areas of, for example, computer Internet services.

Mr. Samyn: Well, that goes for any Crown corporation, when people graduate, be it engineer, be it an accountant, they are both qualified regardless if they work for a private or for a Crown corporation, and their skills are not diminished to create things within that corporation that are to the advantage. The only thing that probably prevents certain things to happen is sometimes the government does not let them do certain things, but I think their expertise in that one is just as great as a private corporation. It does not diminish because you are working for a Crown corporation.

Mr. Chairperson: Thank you very much for your presentation, Mr. Samyn. Time has expired.

Point of Order

Mr. Sale: Mr. Chairperson, I have a point of order which I am sure the committee will want to consider. I do not have a solution for it, but it appears that, in an attempt to provide fair notice on hearings to people who wish to present, the Clerk's Office has been phoning people, which of course is their duty, but they have been suggesting to people that they will not be heard today, that they will be scheduled for tomorrow. I had one particular individual who called with some confusion about his and that is how this came to light. Now, I am sure the intent is not wrong or bad or anything, and I am not suggesting that. I am suggesting we have a problem because we may be in the process of reading off names that in effect had no intention of being here because they were told by the Clerk's Office that they would not likely be heard today but to come for tomorrow.

* (1230)

The particular individual who called me was No. 61, Jerry Sopko. Now he will be here tomorrow, and he is quite prepared to do that. He has not been called before so he is not being disadvantaged. Nevertheless, by being called today he will be dropped to the bottom. So he is expecting to be here tomorrow. He might not be heard tomorrow; it might be Monday.

So I think we need to get our signals straight about what the Clerk's Office is doing here, and I say it sincerely. I am not suggesting they are doing anything intentionally wrong. They are trying to accommodate, but it is in conflict with our process. So I would ask the Chair to give us some guidance or to allow for some discussion about how we deal with this issue.

Mr. Chairperson: In response to your point of order, perhaps what we could do is receive from the Clerk's Office the process that they follow in regard to contacting presenters and then bring it back here and make some suggestions as to variances at all to that process, if need be, to accommodate this particular number of sessions.

Mr. Sale: I think that is appropriate, but until we sort that out I would suggest that we not move people to the bottom of the list because it is conceivable that—well, I think it is more than conceivable—they would then not be heard tomorrow given the limits on the time of 9 till 3.

It is conceivable that would happen. So I would just suggest that we proceed and hear who is here and then go back once we are sorted out in terms of who has been called and who has not.

Mr. Cummings: Mr. Chairman, appreciating the manner in which the question was raised and there is no desire to attribute any impropriety on anybody's part, I would suggest that we follow your recommendation which was that we continue as we are. We will find out what process has been followed in the Clerk's Office and make a decision at that time. No desire to offend people or keep them from attending.

Mr. Chairperson: Is that agreeable to the committee? [agreed]

* * *

Mr. Chairperson: Then to continue, call Reg Cumming. Not here, the name will drop to the bottom of the list.

Mr. Sale: Is that not what we just said we would not do?

Mr. Chairperson: Would not do? I have just been told by the Clerk's Office, in terms of procedure at the Clerk's Office, that when a committee meeting is scheduled that the Clerk's Office does inform all the presenters on the list and does not indicate to the presenters as to when they would be heard on the committee, because they do not know nor are they instructed to tell people that they are not going to speak. So they inform everybody on the list, according to what I am told, and that people who are then informed have to make the decision as to whether they take a risk on being heard that day or the following day.

Mr. Sale: Again, I am not raising this to be difficult, but No. 27, Diane Frolick, apparently was also called and was told that the committee would be taking a lunch break, and she is in fact on her way at this point. We have dropped her to the bottom of the list already. So I appreciate what the clerk at the table has said. I do not know whether it is possible that someone in the Clerk's Office is operating under a different understanding, or the calls, because of the volume of calls being made from more than one place. I do not know. But now we have

had at least two individuals who believe the message they got is at variance with our practice.

I do not want to hold this up. I do not want to stop Mr. Hales, who is here, from presenting but I just want to flag that there is already concern about this process, and we must not make it worse.

Mr. Cummings: We have already stated there is no desire to prevent people from speaking. If those issues are raised by people when they attend we can deal with it at that time, but I suggest we continue with our process.

Mr. Chairperson: The present policy is that if somebody appears here and asks for leave that the committee has been very willing to give them leave, especially if they have been missed on the list.

Mr. Sale: I would want to then just confirm and ask you to test whether that is in fact the agreement of the committee that those who come, having believed that there was a confusion about this, will be granted leave to present within a reasonable time of their coming?

Mr. Chairperson: Is there agreement? [agreed]

Mr. Cummings: Could I put one thing on the record? Without wanting to question the good faith of anybody around this table or anyone who might wish to attend, we are all operating in good faith on this approach, and we will continue to operate that way. I hope that it does not become a situation where someone has for other reasons been annoyed with having been called twice and then says that we are somehow sending them a wrong signal. We want to accommodate people and hear them, and I appreciate the co-operation around the table.

Mr. Chairperson: Can I proceed with presenters?

Mr. Sale: I just want to thank the committee for the discussion, Mr. Chairperson. I believe we have done that. I believe good faith is present around the table and will continue to be.

Mr. Chairperson: Thank you. I call Phillippe Trottier. Mr. Trottier, please come forward. Do you have copies for distribution?

Mr. Phillippe Trottier (Private Citizen): No, I do not. I am sorry.

Mr. Chairperson: Please proceed.

Mr. Trottier: Thank you very much, Mr. Chair. I have to say that listening to the debate here, I am most upset. I was called by the Clerk's Office last night about 10:30 in the evening and advised. I have evidence of that because my son took the phone message, and then I was not quite asleep so he called me, and then I heard again the message from the Clerk's Office, that I was to appear tomorrow at 9 a.m. and that is when the committees would be sitting.

I was advised by a number of people in the Legislature that indeed this committee hearing was going down the list, and they advised me to be here, not the Clerk's Office, but people that I am familiar with here at the Leg advised me to be here, so I am really quite upset that I had to rush away from my place of work. I left a meeting and I left a number of people hanging in that meeting, and we called an early lunch break so I could be here, and then we are reconvening later on this afternoon.

So I am most appalled with how this committee is functioning and most appalled that hearing from the public is being very short-circuited, and I do not know whether it is by the government or by the Clerk's Office on some sort of direction by the government, but I have to let you know that I am pretty upset that I get a call from the Clerk's Office last night at 10:30, and I planned my schedule accordingly and they tell me to be here at 9, and then I am advised that I am to be here right away, not by the Clerk's Office. They have not called me again. The Clerk's Office has not called me again, but people that I know at the Leg have called me to be here and indeed here I am, and I am being asked to present.

If that is the way this committee is going to function and if that is an indication as to the way this government is going to function, then I am sorry, but I have a real problem with how my province is being run. I have a real problem with respect to how this committee is proceeding and how this government is proceeding with the sell-off of MTS. I have some real concerns.

There was no mention of the selling of any of our public utilities, any of our Crown-owned corporations or anything else by this government. There was no election propaganda that said we were going to sell MTS to the highest bidder, and that is exactly what is going on now.

(Mr. Vice-Chairperson in the Chair)

I have to say that as a result of that this government has no mandate to sell the telephone system. This telephone system has served us well from the day that it was born. I feel, as a citizen of this province, and I have been born and raised in this province, I am now a taxpayer in this province, I am now a homeowner in this province, I am now a user of the telephone system in this province and quite heavily, not only through the telephone bills that I pay but also through the Internet service I have and that sort of thing, that we have a good utility and that as a public utility it is owned by all Manitobans.

I feel that it is one of the assets of this province. It is one of the things that I share in. I have seen some advertising and something from either MTS or the government that says, well, we are going to turn it into a private company and we are going to put it on the market and make it available to everybody; you can buy shares in it. How many shares can I buy in this phone company once it is privatized? Not very many, because I cannot afford to. I do not think very many Manitobans can afford to buy shares in this phone company. Maybe I might be able to buy one or two shares, but rest assured that the controlling block of shares will be bought up by companies such as AT&T, such as the other communications companies. They are the ones who are going to dictate the type of service we have in the province, not Manitobans. They are the ones who are going to dictate how that service is going to be delivered and at what price. They are the ones who are going to dictate the kind of fee that I pay for those phone services.

* (1240)

The experience in Alberta—and I have friends and relatives in Alberta. I come from a large French family that settled in western Canada before this province became a province, before there was a Red River colony here. We have a large family throughout western Canada, and my relatives in Alberta tell me that the experience in Alberta has not been a positive one. The sell-off of the phone system there to, what is it called, Telus or something, has resulted in a substantial phone increase in terms of their basic phone rentals.

This province is quite diverse, you know. We have a central urban area in Winnipeg and we have a large rural

area. The sell-off of MTS is going to have a severe impact on rural Manitobans. I have a number of relatives who live outside of Winnipeg, who live in rural parts of the province such as Neepawa, Dauphin, Grandview, Thompson, The Pas. In Neepawa alone, they have just recently started to complete the changeover from a party line system to a single phone line system. That is something that has been a long time coming, and the people who I know in that area certainly appreciate the efforts of their phone system to do that. It is certainly a beneficial service. It is going to help them and they are paying a reasonable price. They do not see much of a price increase in terms of their basic telephone costs and that sort of thing, but what is going to happen with a private phone company? What is going to happen to those people in the rural areas when we have a private phone company? They are going to see a dramatic increase in service, because the services out in the rural areas will be determined not to be cost effective, and we are going to see a further deterioration of rural life in the province.

We have something like the lowest phone rates in North America, I understand, and I appreciate that. I also appreciate that that is brought about in part by the Public Utilities Board and the hearings that they have that help determine some of the rate increases. I think that the phone system can draw upon the larger resource base that they have rather than a private utility and that we have seen only modest increases in the phone rates over the years. I think that if we move to a more privatized system we are going to see demands made to the Public Utilities Board for higher rate increases.

I do not know how much that will affect myself personally. I suppose I can probably still pay for a phone system, although as a wage earner my wage increases have been kept to a minimum with cutbacks and the freezes and the tough bargaining that has gone on in other sectors. It has affected my employer as well, so our negotiations have meant that we do not get fantastic pay increases. In fact, I have not had a pay increase since 1991. So I am not on a fixed income, but I guess I am on a fixed income in the sense, because I have not been able to achieve that kind of pay increase. So with the privatization of MTS, if I see that the phone rates are going up, my salary is not going up correspondingly to help pay for those kinds of pay increases.

Mr. Vice-Chairperson: Excuse me, Mr. Trottier, two minutes remaining.

Mr. Trottier: Okay. I have some trouble keeping up with some of the other increases that have happened in some of the other utilities in terms of hydro and natural gas and that sort of thing. I see in terms of our phone system, that as a public utility and as one that is owned by our own Manitobans, it is responsive to the needs of Manitobans, and it should be kept in the hands of all Manitobans. The government of this day—it is now a Progressive Conservative government—is charged with that responsibility of providing an effective phone service and listening to and trying to meet the needs of all Manitobans when it comes to this utility. So I would request that the government reconsider this bill and consider more the needs and concerns of Manitobans and that this bill does not meet those needs and that the bill should be withdrawn.

Mr. Vice-Chairperson: Thank you very much for your presentation, Mr. Trottier.

Mr. Reid: Thank you, Mr. Trottier, for your presentation. On behalf of the committee I suppose I should apologize to you for the mix-up in notification. I am happy though that you were able to make it out. I hope other presenters will in some way find their way here as well, those who wish to speak.

You mentioned in your presentation that you have a long history in the province of Manitoba and that you have family all over the province, and you referenced Neepawa party line services being installed by MTS which we are happy to see under this Crown corporation as we believe that—I should say the single line service, not the party line service being installed. If MTS is privatized and Neepawa is one of many rural communities with not a population that comes anywhere close to the Winnipeg, Brandon, Thompson population base, do you see that that type of single line service that would replace the party line service, that a private company would make that type of investment into communities like that where their rate of return, I would expect, would be perhaps not enough to recover the costs in a relatively short period of time? Do you see a private company being able to or being willing to take that step to provide single line service or other technology?

Mr. Trottier: I think I would have to reply affirmatively. In the Neepawa area, the relatives and friends that I have in the Neepawa area live outside the town. They are farm folk and they are on a party line system, and they are slowly being changed over to a single line system which provides a certain level of improved service for them. I expect that if the phone service is privatized as a private company, there would be a philosophy and a vision towards profitability, and putting the single line service into rural areas is not necessarily profitable for this company in terms of the time and effort and expense that they have to incur to install those phone lines and to have the people do the actual work of installation. That costs a fair amount of money and the recovery of that cost would be spread over quite a few number of years, and I do not necessarily think that a private company would look at it in that kind of long term.

Right now, as a publicly owned utility, the vision of the company is one towards providing the service to all Manitobans in the best kind of reasonable fashion possible. So we see that kind of service coming into the Neepawa area. We also see that kind of service coming into some of the other areas of the province, as well, such as friends of mine who have some cottages in the Whiteshell. They have seen the introduction of a phone service there, which they really appreciate. But with a private company, I do not think they would do that because they would be looking at, you know, what is the best bang for the buck and how can we turn a profit at the least amount of cost. So that is what I think is happening.

* (1250)

Mr. Reid: Thank you for those comments. The government has said that, via this bill of course, they are not going to allow pensioners or current employees any say into the trusteeship of the pension funds for those employees. They are also saying in this Bill 67 that the headquarters are going to remain in the province of Manitoba. Of course we saw with CN that was the same thing that happened when the federal government privatized CN. They said that the headquarters had to remain in the province of Quebec, and of course just last week it was reported that CN is considering moving those headquarters, at least the personnel, to Toronto. Also, the same provisions in this Bill 67 say that there is

going to be a limitation in the percentage ownership of shares in block-share ownership. Of course we are seeing now that CN, which was a Crown corporation privatized by the federal government, is now owned 65 percent by Americans.

Do you see, Mr. Trottier, any impact on employment opportunities for Manitobans, and do you really believe that the headquarters and the decision making will remain in the province of Manitoba other than just a shell of a building and perhaps a few employees or maybe even a call-forwarding service?

Mr. Vice-Chairperson: Mr. Trottier, with a very, very quick response.

Mr. Trottier: Yes, I can see that if indeed the takeover of MTS is done by private interests, and if these private interests are outside of the country, I can see under the NAFTA that perhaps the headquarters of MTS may be someplace like Minneapolis or Chicago or something like that or wherever the headquarters of the larger company is, such as AT&T or whoever, and I think that is not in the best interests of Manitobans. I think that with a drive towards cost effectiveness and profitability, we could see a substantial job loss in this province with respect to people who work for the facility.

Mr. Vice-Chairperson: Thank you very much for your presentation.

The committee now calls, for the second time, Mr. Darryl Livingstone. Darryl Livingstone. Mr. Livingstone, not being here, will drop from the list. Harry Restal. Mr. Restal, not being here, will drop from the list. Mr. Bill Hales, please come forward. Do you have a copy of the presentation?

Mr. Bill Hales (Private Citizen): Yes, I have.

Mr. Vice-Chairperson: Please proceed, Mr. Hales.

Mr. Hales: My name is Bill Hales. I am speaking today as a concerned citizen of Manitoba, and what I am concerned about is Bill 67 and the proposed sale and privatization of MTS. I am opposed to the privatization of this vital utility currently owned by the residents of Manitoba. My reasons for opposing Bill 67 are many, but I will remain focused on just a few of them to help you understand the concern I have for these areas.

My greatest concern is for the people of rural and remote parts of this vast province, areas where a privatized company that must satisfy shareholder demand for a fair return on investment will not invest to maintain the network or the customer service levels presently delivered by MTS. The passing of Bill 67 will see the end to quality service to all Manitobans at reasonable rates. Rates at the hands of privatized management will increase dramatically.

Instead of discarding its obligation to provide all Manitobans the state of the art telecommunications at a fair price as it has been stated will happen with Bill 67, the government should join MTS, its unions and all the telephone companies across Canada in challenging the CRTC to alter its misguided mandate to drive competition into the Canadian telecommunication market at the expense of existing local telcos, their employees and subscribers. Such a challenge is underway without the participation to date of this government.

A viable alternative to privatization would be to have the government effectively partner with their peers. This is other governments, national telcos, their employees, to lobby and persuade the federal government that while it promotes competition in this industry, it must ensure all competitors, domestic and international, shoulder the responsibility of providing Canadians with universal, affordable access to the high-end telecommunication services as a condition of receiving permission to function in the Canadian telecommunication market. This would hold all telecommunication companies accountable as opposed to allowing select companies such as AT&T and Sprint to skim the cream from the profitable areas of business.

This two-tiered system is unconscionable, whether MTS is public or private, but the elimination of this should be the focus, not the decision, to sell MTS. Competition is healthy. The employees at MTS are enthusiastically meeting competition head on. However, because of the government involvement or interference by bureaucrats, many employees feel that they have gone into competition with their hands tied behind their back. If bill 67 passes—the control of MTS—business will likely leave Manitoba. The loss of such control will lead, likely, to lost jobs at MTS throughout the province. Many of the 3,800 people at MTS provide community support and economic strength, as well as telecommunications services, to communities in which

they live. These local benefits will be lost to many communities as MTS jobs dry up and employees have to relocate. These negative impacts, both social and economic, can and must be avoided.

Our world is in a state of constant change. Many of the changes are beyond the control of us as individuals, as corporate citizens and as government. However, the responsibility to control what we can as individuals, corporations, governments, is a challenge we must face. The erosion of our society and the spin-off effect of lost jobs can be prevented through prudent decision making, which I am calling upon this government to do. I challenge the government to take this responsibility to continue to safeguard the well-being of all Manitobans.

I believe most Manitobans are willing to pay for the excellent service that MTS currently provides. Individual line service, the ILS program, is almost completed and will see Manitoba be the first fully digitalized province in Canada. The employees of MTS worked diligently to bring this province to the leading edge of telecommunication technology. The privatization of this company is a slap in the face to those people who have provided the service to the residents of this province.

The cost of this ILS program, which began in 1988, accounts for approximately \$600 million of the current debt. What should have been a proactive move to counter this was for the government to allow MTS to approach the Public Utilities Board for a 5 percent rate increase per year for the first few years the program began, to offset the cost. Instead, while doing the right thing by creating a potential well-connected province, they drove the corporation debt higher by denying the required rate increase at the time competition was at the door.

To make matters worse, this government mandated MTS into the area of federal regulation and instant competition four years before it had to, which further restricted MTS's ability or the system's ability to rid itself of its debt.

The proposed sale of MTS suggests that the share offering will somewhat enhance the financial picture of MTS. However, this will still leave MTS with a huge debt load. Normal business practices would suggest shareholders will demand a fair rate of return on their investment. The obvious means of accomplishing this is

to increase the rates which will be granted. MTS could easily justify a rate increase through the CRTC as our rates are the lowest in the country.

It bears questioning why the government would not allow the system to apply to the new federal regulator, the CRTC, for some additional small rate increases to address the debt issue rather than selling the Crown asset. In recent past, Manitoba Telephone System provided quality customer service and network improvements at below cost. These subsidizations cannot continue because the federal regulator will not allow it and because MTS cannot afford to continue this practice in a competitive market place.

If Manitobans have to pay more for their service in the future, I believe they would be more willing to pay it to the Crown corporation to reduce debt, opposed to shareholders who are unlikely to be interested in waiving profits to enhance service in Pilot Mound, Cross Lake, Flin Flon or even River Heights.

Selling MTS is an easy solution for the government. It takes less effort to sell the company than to fight for it and for the betterment of Manitobans. Seeking modest rate increases and joining forces with other companies and governments across Canada, as outlined above, are two alternatives. Both of these actions, if successful, would enable the Crown to invest more money into the network to ensure this province remained one of the leaders in building an electronic highway for all its residents.

If Manitoba, as a whole, is to be successful in meeting the constant challenge of change in the 21st Century, it must continue to provide its citizens the opportunity and tools necessary to survive and thrive. The paving of an electronic highway to the remotest corners of this province will ensure equitable distribution of these opportunities. This does not have to be a dream. It can and must be our reality. I challenge this government to fulfill its obligation to provide this service, at reasonable cost, to its constituents. This can only be done through sustained commitment through a well-managed Crown corporation freed from bureaucracy and government interference.

If Bill 67 passes, we will not have our dream. Our reality will be a nightmare. A little dramatic, but—

Mr. Vice-Chairperson: Excuse me, Mr. Hales. You have two minutes remaining.

Mr. Hales: I am through.

Mr. Vice-Chairperson: Thank you very much for your presentation.

Mr. Reid: Thank you, Mr. Hales, for your presentation. You have mentioned in your presentation here today that—and I take it you have some experience. First, I want to relate to you, sir, that I have heard from constituents of mine who currently work for MTS that this government has involved itself in some of the internal business affairs of MTS by way of making decisions that should be left more appropriately to the corporation itself with respect to services that are applied to some of the rural areas of the province, and we are talking single-line digital service.

I know that my constituent draws to my attention that the corporation did not want to pay for this particular service which was going to be in the range of some \$350,000 of investment to serve three farms in single-line digital service. Yet when the corporation said that this was going to be very difficult to provide this service and to justify the costs, my understanding is that the minister signed off on this, and it forced the corporation to provide this service. In your presentation here you said it was because of government involvement or interference of bureaucrats. Do you have other examples that perhaps you could share with this committee on how this government or perhaps the bureaucracy itself would interfere in the business of MTS to allow them to be able to do the job that they were there to provide?

* (1300)

Mr. Hales: Well, there are a few situations that have come before us. As the owner, if I might call the government that, which is, I think, fair, they have the responsibility to see the organization function in the interests of Manitobans under the acts that were there since 1908. It had to be done at a fair and a reasonable cost.

Some of its actions I have disagreed with, such as selling the coaxial cable network and the Faneuil dealings which we are encumbered with now at a price of around \$50 million. We have a lot of good employees at MTS

who I believe could have done these jobs, the Faneuil jobs for instance, in house down time. While the switchboard operators might not have been on the switchboard, they could have been making calls to pursue other market opportunities. That was denied us. It went to Faneuil corporation at a very large price. I was told this would be done because Faneuil could do it cheaper than our own people could because the unions had forced them to pay the jobs too much money. I do not know where that would have come from, but I do not know a company in the world that pays its employees more than it wants to, unionized or not, or what it believes it should. Maybe I should use those words.

As far as the coaxial cable went, they had the right to sell it. It was old technology, but it certainly had a value far beyond what it was sold for. It also has a strategic value which may or may not be reducing as technology changes. All I know is what we sold it for. Half of the piece in Portage la Prairie with, mind you, the head end and other pieces that we did not have the access to or ownership of sold for thousands, well, \$6 million recently, and it was only about half a million dollars in the original sale. So these things, I believe, somebody misguided the government possibly or I am misguided. I do not think I am, though, sir, I have to believe, but that is up to the discretion of the people who made the decisions.

Mr. Reid: Mr. Hales, the Minister of MTS and government members like to use the argument that the debt of MTS is too high which will not allow them to keep pace with the technological changes that are coming that will affect telcos around the world.

Do you see, sir, that MTS is in any way hamstrung and prevented from keeping pace with the technological changes that are going to result? I mean, we have read about some of the changes and I have raised this matter with the members in the House just last week, utilizing the existing current telephone copper lines to bring improved or enhanced Internet type of services.

Do you see any other areas where MTS would be unable to keep pace with the technological changes, given their current financial situation or any other situations that you may be aware of?

Mr. Vice-Chairperson: Mr. Hales, very quickly.

Mr. Hales: Yes. Obviously, the ILS project which was done under this government actually was a good venture, and I am very proud of it, as I think all Manitobans and certainly all MTS employees are. The fact that we did not collect the bill—people of Manitoba are known for being careful shoppers, and it is prudent of the government to be responsible and not overtax people for services that we offer.

However, with the bill growing like it had to to deliver that service which was about \$760 million to deliver the digitalized ILS service, that certainly has left us in a terrible position with competition, but all of this took place clearly with competition, as I said, knocking at the door. They were here. I mean, this has not just become competitive in the last few months. This had been coming at us for 10 years, so, yes, it has hurt.

Mr. Vice-Chairperson: Thank you for your presentation. Your time has expired.

Mr. Hales: Thank you, Mr. Chairman. Thank you, ladies and gentlemen.

Mr. Vice-Chairperson: Sig Laser. Mr. Sig Laser. Please come forward. Do you have copies of your presentation to be distributed?

Mr. Sig Laser (Private Citizen): Mr. Chairman, my presentation will be oral. It will also be brief, and committee members may rest assured that I have turned my pager off.

Mr. Vice-Chairperson: Please proceed.

Mr. Laser: As I say, it will be oral and it will be brief, and I have to start by saying that I have no special expertise when it comes to matters technological. Those sorts of questions, I hope, will be aired before your committee, and I hope they will be aired in full.

(Mr. Chairperson in the Chair)

Even some of the financial questions I would not want to address. I think others are better qualified, and I hope your committee as it does its work will hear a full range of opinion on that. I think that is important in fact, to hear a full range of opinion because to start, the current government in my opinion has no mandate to sell MTS.

Full stop, no mandate. It was never discussed as part of the last election, discussed very little in public prior to the announcements, prior to your committee being struck. Hence I think it is important as you do your work that you get input from all Manitobans. I suspect that if MTS were sold off, the unfortunate possibility of it being sold off, whoever purchased it might do very well by the city of Winnipeg and urban areas—might. There is a question there but it might.

I really have my doubts about the North, and I really have my doubts about the rural parts of Manitoba, and that is actually a bit of a surprise because this government has been tagged as favouring the rural areas to the cost of the city of Winnipeg. It is a surprise then that, as far as I understand, your committee is not going to be travelling to rural Manitoba. Is that correct?

An Honourable Member: That is right.

Mr. Laser: That it is not going to be travelling to the North, is that correct? See, I think the analogy with CN and the sell-off there, the privatization there, is not that much of a stretch. You now have towns in northern Manitoba, communities that like lichen on rock took a bloody long time to build and grow, and now they are threatened by rail line abandonment. I think in some ways the telephone lines, the communications of our modern era, are the infrastructure, the transportation and communication and information infrastructure, that we need to build our province.

I think it comes down to a question of, do we have confidence in this province? Are we prepared to continue to build? Our forefathers, Rodmond Roblin—well, I hope I have that first name right, Mr. Roblin, 1908, they had the confidence to proceed. They knew they had to build something. They knew they could not wait on Bay Street. They knew they could not wait on New York. They had confidence and they built, and it is province building and it is nation building that is at stake.

I should put my cards on the table with you. My opinion about the privatization urge or scourge that I think, thankfully, seems to be waning and seems to be running its course, I hope this government does not catch the last bad whiff of it, that those tendencies, in fact, are little short of looting, looting public assets for private profit and private gain. That is my opinion, but I

challenge you to test what the opinion of other Manitobans might be on that.

So to close, please take your committee on the road. Solicit the opinions of rural Manitobans. Solicit the opinion of northern Manitobans. Once you have that opinion—and I hope that goes hand in glove with getting all the information out. The information that is on the table to date is very scanty, just the desire to sell it and, what, four pages from some brokerage houses which are conflicted in whatever they might say on the matter. Get some more information. Take it around the province, and then if a case can be made, let us look at it. There is no hurry, one year, two years. Run the next election on it.

Those are my comments. Thank you. Any questions?

* (1310)

Mr. Chairperson: Thank you very much for your presentation.

Mr. Sale: Thank you, Mr. Laser. You said, and I think all of us around the table would have to say that we are not technology experts, but that aside, we, all of us, in our daily work use technology a lot. I suspect that you use at least some technology in your daily work in terms of your—you said you had turned off your cellular phone so that, at least, you use, and I think you probably use a computer.

Mr. Laser: I am a commercial broker, so I do use the technology.

Mr. Sale: Could you describe your concerns about the costs of technology in terms of your business? Is it a significant cost to you at this point? Is it a minor cost, and a doubling or a 50 percent increase would not affect you much, or is it a significant cost? How does it affect your ability to do your work?

Mr. Laser: It is my opinion that certain things in society need to be done by the community itself. I see government and its Crown corporations as an enabling mechanism. Certainly, everything need not be run and owned by government, but basic infrastructure, the sort of skeletal support of all the other private activities, ought to be run in the most efficient way possible. I think privatization runs the risk of having to factor into the

provision of that infrastructure profit a view to the short-term bottom line and a forgetting of long-term development potential.

Mr. Sale: Mr. Laser, I have asked other business people who have presented before the committee this question, and I will ask you as well. We have a corporation here that is a big business, or at least, I guess, in the world's terms it is a small or medium-sized business, but in our terms in Manitoba it is a big business.

It is meeting its debt service with 16 cents on a dollar of its revenue. As a business person, if you were looking at a business proposition where the debt of the corporation was requiring 16 cents of each dollar's revenue, would you consider that a horribly burdensome debt load?

Mr. Laser: Mr. Sale, no, I would not, but my concerns, as well, have to do with the mix in the economy, and I am not assured that head office jobs and some back office functions would in fact stay here. I suspect in the short term they might, but efficiencies, from a private point of view, may in future require that those functions be taken to wherever the ultimate ownership would reside, and that would lessen the mix, the richness of the local economy, and that is really what concerns me.

Mr. Sale: In terms of those functions, you may be aware that some other telcos in Canada are contracting out a variety of their services to phone centres such as the Faneuil phone centre and that type of corporation, but the corporation may be in Arizona or in Utah or somewhere else. Is that what you meant by the kind of mobility of back office? I do not want to use the term "backroom," that conveys other ideas, but the support functions of the corporation.

Mr. Laser: It is interesting. I think we are in transitional times, unsettled times, but I think rather than cutting loose a corporation that has, in my understanding, earned almost over \$100 million over the last half dozen years for the citizens of Manitoba, that that corporation is worth continued investment, and it is worth some innovative and exploratory actions to keep it in Manitoba, to keep it working for Manitobans. I am suggesting that there is the possibility of doing something with our sister province, Saskatchewan, that if economies of scale are proven at the end of the day to be a concern,

that there is a possibility there of doing something. So I think the desire simply to cut it loose, not only does it, to me, smack of looting of public assets, but on the other hand I think it speaks to a lack of imagination and a lack of a determination to continue building this province for all of us.

Mr. Chairperson: Time has expired. Thank you very much for your presentation, Mr. Laser.

Call Eli Jacks. Eli Jacks, not here.

Floor Comment: Actually, I spoke to Mr. Jack's mother just a few minutes ago, and he was called by the Clerk's Office, and he will be presenting tomorrow. He is at the university right now.

Mr. Chairperson: Ms. Louise Simbandumwe. Not here?

Floor Comment: It was either she or her mother, I am not sure which was which, but she was here this morning waiting. I guess she was here about an hour and a half, standing in the back. I do not know that she is even in the building.

Mr. Chairperson: Angeline Simbandumwe.

Floor Comment: She cannot be here right now.

Mr. Chairperson: Not here. She has been dropped to the bottom of the list. Kristine Barr.

Floor Comment: I was told she would be here tomorrow.

Mr. Sale: Mr. Chairperson, as we have gone on with the people who are trying to co-ordinate the people who are here, and try and have them not have to be here for a great long time before they are presenting, more and more we are hearing reports, and I am not in a position to verify in some kind of courts-of-law sense, but we are hearing reports of this confusion. There are people in the room who are able to present. It seems to me that we might as well do what we have got available to us, and we know we are going to adjourn at three, and we know we are going to be here tomorrow, so why do we not see who is in the room that wants to present? Then they are off the list, and we are not into this question of reordering

people down to the bottom, when they have been told, in fact, to be here tomorrow, to be here at nine o'clock tomorrow and they are at the bottom of the list again. Why do we not hear who is here and then see if we can problem-solve around this question of where the calling is coming from.

I should also tell the committee that it is perfectly obvious to everybody that we are trying to co-ordinate people who want to present. Many of them are people who are not associated with any particular group, but they are on the list. We are trying to make it as easy as possible for them. We have checked. There is no phoning coming from people who are doing the phoning for us. We know who they are. We know what they are trying to accomplish, and it would not make sense for them to do what is happening here, because in fact we want these people here to present because they want to have their say. So I am not in any sense suggesting that there is anything other than honest confusion here. We have got people in the room; why do we not hear them and then see if we can sort out what has been happening?

* (1320)

Mr. Cummings: I thought we had about half an hour ago reached an amicable understanding on this which is that we would proceed, and if people showed up who felt that they had been given incorrect messaging that we would hear them. We will not stop anyone, and I am putting it on the record. If someone brings that problem forward as an issue, we will hear them. Unless everyone on this list is people that you have been phoning, it would be disrespectful to the others who are attempting to fit into what is the known schedule to break from our procedure. Certainly if there are folks here who want to be heard, we will read through the list as quickly as we can and get right to them if that is acceptable to the committee.

Some Honourable Members: Agreed.

Mr. Chairperson: I will proceed.

Mr. Sale: I simply want to put on the record that Suzanne Hrynyk is now in the room. She was told to come tomorrow. She asked the clerk what about today? The clerk said she did not know anything about today and that she could present on Saturday. This is the fifth

person. So we have Kristine Barr and Eli Jacks, 51 and 52. Both received calls from the Clerk's Office saying they should be here tomorrow. Now it is conceivable to me that there is a confusion about the number of meetings and the times of meetings because there are so many committees meeting and so many committee meetings have been scheduled at relatively short notice.

I am not blaming, and I am not suggesting that there is a problem here, but if we are dropping people to the bottom of the list, we do not know who has been called. We do not know what messages have been out there. We do not know for example that people will have been called and told, do not come today, come tomorrow, and they cannot come tomorrow, so they do not even want to be on the list anymore. So I really urge the committee not to simply read through and drop people and say, they have been called once.

I would suggest that if you are going to read through the list to see who is here, fair enough, but they ought not to be dropped because at least five of them, and there is another person whom I spoke of earlier who is on her way here now who was also called and yet she was a very low person on the list, 27. So I think what has happened is that at some point in the clerk's calling someone has not realized that there was a meeting today of this committee and has been telling people last night, well, the hearings are going to be finished for last night, do not bother, you will be up on Saturday. I suspect that is what has happened; that is an honest mistake.

If you are going to read through the list, fine, but let us not read through the list with a view that these people have been called once. That would be patently unfair in light of the fact that we have now got at least five people who we can tell you had a call saying do not come today. Mr. Cummings and I have had this discussion about good faith. I do not believe there is bad faith anywhere here, and there certainly is not on my part. I am very concerned about the due process. We know we are going to quit at 3. We know that is roughly six or seven presenters. Let us hear who is here and stop suggesting that this list at this point really means very much at all.

Mr. Sveinson: We have shown good faith here all the way along. Anybody that came in who in fact had even been dropped from the list was given the opportunity to present. Plain and simply, we have to have the list, but

if there are some people here that Mr. Sale knows about, for goodness' sake, let us give the names forward and we will hear them, and we will continue on with the list. There has to be some order. Thank you.

Mr. Chairperson: Just for a point of clarification, I believe where the confusion is coming from is this meeting today was scheduled. Tomorrow's meeting and Monday's meeting was scheduled yesterday. So when the Clerk's Office was making contact with the people who are on the list, they would have indicated to them probably tomorrow's meeting and Monday's meeting, so the presenters may have construed that to be tomorrow. No?

I would say that even if we read through the list today and heard everybody here, we would not get through the entire list with first calls anyway. So I think there would be ample opportunity and not very much risk, and the committee has indicated accommodation to hear anybody that would appear. Is that fair? Nobody wants to turn anybody away.

Mr. Sale: I believe if you would record formally for the committee that there is agreement to hear all presenters and that the confusion here will not be used to strike people off the list, the confusion that clearly now has been I think maybe partly understood as to what has happened, then I have no problem with your proceeding as you suggested. But I would like it formally recorded because the membership of this committee tomorrow will not be the membership that is here today, and I do not think it is going to be very easy for those who are here tomorrow to understand what went on here today. So let us agree that what has been agreed to here is in fact that people will not be dropped, that this is not a call against them. There will be plenty of time tomorrow to do that, and then let us proceed with whoever is here and able to speak to us as we get this confusion sorted out.

Mr. Cummings: I do not want this to degenerate into somehow an appearance of not allowing people to speak. I am only asking that we proceed. We have already agreed that even if someone has been called and missed their call but shows up and indicates that they were given some sort of wrong messaging, you have the word of the government side of this table that they will be heard.

Mr. Chairperson: Agreed? [agreed] Thank you. We got that cleared up.

Marceline Ndayumvire. Marceline Ndayumvire, not here, dropped to the bottom of the list. John Loxley. John Loxley, not here, dropped to the bottom of the list. Jerry Keenan. Jerry Keenan, not here, dropped to the bottom of the list. Jenessa Dawn. Jenessa Dawn, not here, dropped to the bottom of the list. Lana Rosentreter. Lana Rosentreter, not here, dropped to the bottom of the list. Lawrence Cochrane. Lawrence Cochrane, not here, dropped to the bottom of the list. Richard Orlandini. Richard Orlandini, not here, dropped to the bottom of the list. Neil Amason. Neil Amason, not here, dropped to the bottom of the list. Marilyn Brick. Marilyn Brick, not here, dropped to the bottom of the list. Jerry Sopko. Jerry Sopko, not here, dropped to the bottom of the list. Marian Yeo. Marian Yeo, not here, dropped to the bottom of the list.

* (1330)

Ellen Karlinsky. Ellen Karlinsky, not here, dropped to the bottom of the list. Bruce Frolick. Bruce Frolick, not here, dropped to the bottom of the list. Pam Delisle. Pam Delisle, not here, dropped to the bottom of the list. Tom Barker. Tom Barker, not here, dropped to the bottom of the list. Elizabeth Carlyle. Elizabeth Carlyle, not here, dropped to the bottom of the list. Oskar Brauer. Oskar Brauer, not here, dropped to the bottom of the list. Jim Pryzlak. Jim Pryzlak, not here, dropped to the bottom of the list. Barry Hammond. Barry Hammond, not here, dropped to the bottom of the list. Blair Robillard. Blair Robillard, not here, dropped to the bottom of the list. Diane Erickson. Diane Erickson, not here, dropped to the bottom of the list. Richard Dilay. Richard Dilay, not here, dropped to the bottom of the list. Maurice Berens. Maurice Berens, not here, dropped to the bottom of the list. Eric Cote. Eric Cote, not here, dropped to the bottom of the list. Alan Tresoor. Alan Tresoor, not here, dropped to the bottom of the list.

Peter Hudson. Peter Hudson, not here, dropped to the bottom of the list. Elizabeth Johannson. Elizabeth Johannson, not here, dropped to the bottom of the list. Gabrielle Rodrigues. Gabrielle Rodrigues, not here. Sara Malabar. Sara Malabar, not here, dropped to the bottom of the list. Colin Murray. Colin Murray, not here, dropped to the bottom of the list. Peter Holle. Peter Holle, not here, his name will be dropped off the list at second call. Barry Shtatlan. Barry Shtatlan, that

is second call and dropped off the list. Marilyn Weimer. Marilyn Weimer, second call, dropped off the list.

Back to first call. Claire O'Connor. Claire O'Connor. Oskar Brauer. Could you please come forward. Are you ready?

Mr. Oskar Brauer (Private Citizen): As good as I will be.

Mr. Chairperson: Thank you. Please proceed.

Mr. Brauer: I am here, too, again to speak against the bill because of the dearly held Manitoba institutions we have here when so many people are working there. It is working fine up to now, and I do not know why this government for any reason wants even to sell it off. It is a utility that should be used and should be held dear by the public and not by the private enterprise. I am really disgusted about that because the opposition was always asking why and if there is any intention to sell it off and the answers were twice, no, in the House for us to see on the television, read it in the paper. Now you are out there and you are telling us this is not the case anymore, and you are going to sell that thing off if we like it or not. We speak to so many of us and they are so cheesed off. Not many of us have time to come here and have the nerve to come here, but it is ridiculous. I am always appalled, and I hear the name the honourable member of this and that. That is disgusting in my books because there is nothing honourable about it. Really I am so hyped up about these things it is unbelievable.

It is owned and operated by the public or by the citizens of Manitoba and here you go, you want to sell it again and for whom? Not for the guy who can afford any shares. It is for you, the ones who have money and go out there and buy these shares and make a profit. It does not make sense. There is no sense of compassion anywhere. This whole government is just disgusting. To me the whole thing is wrong, with all the bills. Politically it is wrong and it is my concern. Thank you for your time.

Mr. Chairperson: Thank you very much for your presentation. There will be no questions?

An Honourable Member: What number were we at?

Mr. Chairperson: That was No. 68. We are at No. 85. Claire O'Connor. Claire O'Connor, not here, drop to the bottom of the list. John Wiens. John Wiens, not here, drop to the bottom of the list. Roz Usiskin. Roz Usiskin, not here, name will drop to the bottom of the list. Gordon T. MacDonell. Gordon T. MacDonell, not here, name will drop to the bottom of the list. Dennis Phillips. Dennis Phillips, not here, name will drop to the bottom of the list. Stewart Boyce. Stewart Boyce, not here, name will drop to the bottom of the list. Dennis Ceicko. Dennis Ceicko, not here. Murray Smith. Murray Smith, not here, but he is on his way. Grant Nordman. Grant Nordman, not here; that is his second call. Russell Crockett. Russell Crockett. I should advise that Grant Nordman's and Russell Crockett's names are dropped off the list.

An Honourable Member: That is what we were not doing.

Mr. Chairperson: The understanding was that if they appeared that they would be heard. I was advised that Mr. Smith is on his way so that when he appears he will be heard.

Diane Shaver. Diane Shaver, not here, name to be dropped. Carol Stadfeld. Carol Stadfeld, not here, name to be dropped. Kathy McLean. Kathy McLean, not here, name to be dropped. Winnie Grabowski. Winnie Grabowski, not here, name to be dropped. Ken Beatty. Ken Beatty. Please come forward. Do you have copies to be circulated?

Mr. Ken Beatty (Private Citizen): Yes.

Mr. Chairperson: The Page will distribute them for you. Please proceed.

Mr. Beatty: Mr. Chairman, members of the board, my name is Ken Beatty. I am a retiree of Manitoba Telephone System, and I am here speaking on behalf of a number of MTS retirees.

First of all, we endorse and fully support the presentation made by Brian Meronek to this committee on October 31, 1996. As stated, Mr. Meronek's presentation was not only on behalf of the retirees but also on behalf of the employees represented by TEAM

and IBEW. However, I wish to speak on items of particular interest to retirees.

The first item is employee incentives for the purchase of shares. The MTS financial advisory group has suggested that previous privatizations have included employee incentives for the purchase of shares, and I quote: the market views employee incentives favourably and the MTS offering will provide employee incentives—statement from MTS financial advisory group in technical briefing regarding MTS.

Although present employees have contributed to the growth of MTS, thereby enhancing the value of its shares in the marketplace, by far the greatest contribution to this value was made by the employees in the 1960s, '70s and '80s who provided the high quality and scope of telecommunications network in Manitoba which, combined with their customer-service-oriented approach, led to the favourable perception and goodwill that MTS enjoys in Manitoba today.

Surely these dedicated former employees deserve at least an equal incentive to purchase MTS shares with the present employees. Some of these employees served MTS and its customers for over 40 years, and it is incomprehensible that long-term former employees would not receive at least the same incentive as the four newly appointed presidents of MTS subsidiaries.

I realize these incentives likely will be governed by regulations or some internal mandate, but since this is the only forum that has been made available, I urge the committee to use its authority to ensure retirees receive the same incentives as provided to existing employees.

Two, equal say. On behalf of the retirees, I would like to thank the Minister responsible for the Manitoba Telephone System for his intervention over the past week which seems to have broken the logjam and led to more meaningful discussions with MTS. Unfortunately, these last-hour discussions come after more than three and a half months of stonewalling by a representative of MTS. This delaying tactic of MTS not only necessitated the hiring of both a lawyer and an actuary at significant cost to us but also wasted a lot of time which could have been used productively to result in a mutually agreed upon new plan.

I would like at this time to table with this committee a copy of the petition—I would like to keep the original for other reasons—consisting of 142 pages containing the signatures of 125 MTS retirees, beneficiaries and vested deferred former MTS employees.

This petition reads as follows: We, the undersigned MTS retirees, beneficiaries and vested deferred former employees, being present and future superannuants under the Civil Service Superannuation Fund hereby state: 1) Neither the Province of Manitoba nor MTS has any ownership in or claim to the transfer amount described in Bill 67. 2) The transfer amount is the property of the present MTS employees together with ourselves. 3) Should the transfer amount be placed in the new proposed pension plan, then the employees, together with ourselves, will have funded at least one-half of the new pension plan. 4) Accordingly, we are entitled to an equal say with MTS in preparing a mutually acceptable new pension plan including the basis of future benefits in the plan, the manner in which the new plan funds are invested, the manner in which and by whom the new plan is administered. And unless the above is accepted by MTS or enacted by appropriate legislation by the Province of Manitoba, we do not consent to Bill 67, in particular Section 15 thereof.

* (1340)

The former employees who have signed this petition range from clerks and construction workers to and including three former MTS employee board members, one president and CEO, one acting president and CEO, one assistant general manager and six former vice-presidents. I do not suggest that all retirees sign the petition since given the limited resources and time available, this was impossible to achieve.

Further, nine retirees or spouses who were contacted declined to sign the petition. Given that 1,525 retirees or spouses or widows or future superannuants have signed the petition means that more than 99 percent of those approached signed. The petition is self-explanatory and supports the presentation of Mr. Meronek.

Deemed consent. I do not have to quote to members of this committee Section 15(8) of Bill 67. The retirees find this section abhorrent and inflammatory. It may be rendered moot, as suggested by Mr. Meronek, if the

government or MTS meets the concerns outlined in his submission. However, should these concerns not be addressed to our satisfaction, the government should take notice that the 1,525 signers of the petition do not accept Section 15(8).

The new plan. I will not reiterate our concerns with the new plan developed by MTS which were so accurately and eloquently expressed by Mr. Meronek. I have attached to this presentation a copy of a letter dated September 25, 1996, addressed to the minister charged with the administration of The Civil Service Superannuation Act. This letter is signed by six former MTS employees who served as elected MTS employee representatives on the Civil Service Superannuation Board from 1965 to 1994 or almost 30 years.

I recommend that the members of the committee read this letter carefully to understand the need to ensure the new plan is mutually acceptable to both MTS and its employee/retirees. Thank you for your patience.

Mr. Chairperson: Thank you for your presentation. Questions?

Mr. Sale: Mr. Chairperson, it might be very helpful if the minister could indicate what stage discussions are at and when we might see any amendments. I think it would be a great comfort to this presenter if the minister could indicate that there are substantive amendments in progress. So I would be glad to defer to the minister and not ask questions if there is something he could say that would help this presenter.

Mr. Findlay: Thank you, Mr. Beatty, for your presentation. You are more aware than anybody here of the amount of discussion that has gone on this topic to get the level of comfort that you all want, and I thank you for recognizing that I did intervene to be sure that more discussion happened that led to greater comfort, because you know in the bill we say, pension is equivalent to. It is a very small statement, but we mean exactly that. To the greatest extent possible, we do what we have to do, and the members mentioned and we have discussed that we are prepared to look at amendments that flush out to greater detail, equivalent to.

I notice in your comments here you talk about the transfer amount. I do not think there is any problem

there. I am not aware of any problem in the transfer amount, that you have full ownership.

Mr. Beatty: Mr. Minister, you are quoting from the petition wording?

Mr. Findlay: No, I am quoting from your material here on page 2 at the bottom, and you talk about four items at the bottom.

Mr. Beatty: Yes, that is quoted from the petition itself and were written when the petition was originally drafted which was a month and a half ago. Understand that is a period of time in which at least over the last week some progress has been made.

Mr. Findlay: Yes, okay, then we are clear that really that amount is going—I do not think there is an issue left there anymore. At least I hope not. This is a property of the employees placed in the proposed pension plan, and MTS, of course, has to deposit their amount which they have fully funded the pension over the last few years, so they are in a position to do that. Again, I do not think there should be any trouble there.

Then the last one is equal say. I understand there has been some discussion around what that would mean in the last number of days. Maybe you could give me your understanding of it now, and we will see if we are on the same wavelength.

Mr. Beatty: Mr. Minister, I am sorry that you missed Mr. Meronek's presentation yesterday morning, and I understand there were valid reasons for that. I would prefer to recommend to the minister that a detailed reading of Mr. Meronek's presentation will more than adequately answer the questions raised. I think I would be wasting the committee's time.

Mr. Findlay: Suffice it to say on my part then that we are fully aware of it, and we are working to have that recognized, and I would have to suggest that there are a lot of people that have to be talked to and consulted before I can make any official statement, but I am fully aware of what you are saying, want to achieve it and hope that I can achieve it to the betterment and comfort of all, because "equivalent to" means, in my mind, equal to whatever you had, absolutely.

Mr. Beatty: I would just point out to the minister that those words, equivalent, were particularly dealt with in the brief of Mr. Meronek, and he, in his legal interpretation, has some problems with it which he has raised, and we would ask that the government address that. That is all we can do.

Mr. Findlay: I have looked over his presentation, have read it, and I will read it again as we work through the process of deciding how we can meet those needs.

Mr. Beatty: Thank you.

Mr. Sale: Mr. Chairperson, just for the record, I think that this process of hearings has been very useful in bringing some of these matters to a head because essentially we all have had letters from retirees. I suspect that all MLAs have received some. I have received four or five, and it has helped me to understand this issue better, and I appreciate Mr. Beatty's work and the work of Mr. Meronek and the accommodation that the minister is trying to make on this issue without, of course, endorsing the bill as a whole, which I know Mr. Beatty is not taking that position on here. I appreciate that this, I think, validates the usefulness of this kind of process.

Mr. Chairperson: Thank you very much, Mr. Beatty. I have just been advised that Diane Frolick, No. 27 on your list, was called earlier today and was not here, and she is now here and wishes to make a presentation this afternoon. Is there leave for her to present? [agreed] Okay, would No. 27, Diane Frolick, please come forward. Do you have copies for distribution?

Ms. Diane Frolick (Private Citizen): No, I do not.

Mr. Chairperson: Please proceed.

* (1350)

Ms. Frolick: First of all, I would just like to explain the confusion this morning. I was expecting originally to present yesterday and I was not able to, or my name did not get called. I was then expecting to present today, and having heard nothing, I called the Clerk's Office at quarter to twelve and was told that I was No. 27 and that they were at No. 16 at that point and that they were going to be taking a one-hour break for lunch from 12:30 until 1:30 and that I could then expect to be called, which

apparently was complete misinformation. I am concerned that there has been a lot of misinformation regarding these hearings, about what their number is and when they are supposed to present, and it is sad that this is the only avenue that we have to speak in the first place and then it is being destroyed.

I am glad that I can speak to this committee in any event. I would like to start out with just a story about my brother who, when I was in Grade 9, got his hand cut off in a snowblower. Anyway, my dad rushed him to St. Boniface Hospital, and in the meantime I called the hospital, not knowing what to do with the fingers that I had picked up, and so I phoned them and I asked them and they told me what to do, and they asked when he had left and what had happened and they took details, and when they got to the hospital they were all ready for him, and they saved his life. My brother now works for the R. M. of Springfield, and you probably know him, Mr. Findlay.

The point of the story is that it just is one of those examples of how important a telephone is, you know. It is a little thing, but it is very important. I am now an emergency room nurse. I am the one on the other end now that gets the calls when people do not know what to do. They phone me now, and I am much more composed than I am at this moment, but I get all of those phone calls on a daily basis, in the middle of the night, during the day, of people asking what to do. They just do not know. Sometimes they are minor, sometimes it is things like a dog bite, and they do not know whether they need a tetanus shot or whether they need to come to hospital or whether they can just clean it or put a bandage on it, they just do not know.

Sometimes it is much more serious than that. Sometimes it is symptoms of a heart attack, sometimes they are being abused, sometimes they have taken an overdose of pills, sometimes it is just advice for public health, things like that. My point is, we get many, many of these calls. Your government, in the last year or so, implemented a very good thing called Health Links, which is run out of the Misericordia Hospital, and it is an excellent tool to help improve the health of people of Manitoba. It should be in place much more widely. It should be in place throughout the province, not just one place at Misericordia Hospital, but it is very effective, and it could lower the cost of health in this province

while improving the health of all Manitobans. It, of course, hinges on people having a telephone.

Prior to working in Winnipeg here at Seven Oaks Hospital, I worked up north for three years. I worked on several of the reserves. Many of those people do not have telephones now, and if you privatize this and the prices go up, and with all the other cuts, I mean, these people are in abject poverty now, how will they be able to afford a phone then, plus their health problems predominantly are economic problems. They are problems of poverty and massive levels of unemployment. I mean, by giving away your tools of your economy, the opportunities are there that you could—through technology, the opportunity for jobs in those communities are only limited by your vision. It has just totally been untapped.

Anyway, I just would like to say that I think that these ideas are going to come from listening to us and not from not listening to us. Mr. Findlay, you were on the radio the other day, and you said that people that were complaining at these hearings were all stuck in the 70s. I assure you, I live in the real world, and I see the people on a daily basis that are affected by the cuts of this government. I see the young kids that have tried to kill themselves. I see the young kids that are in fights. I see the young kids that have so much despair because they cannot afford to go to school and there are no jobs for them, all the problems. I find it so condescending that you would imply that people who are complaining about the privatization of MTS do not live in the real world. I was in grade school in the 70s, and I am not stuck in the 70s. I am very afraid for what is going to happen, but I am also very much willing to rebuild this province after your government has destroyed it, and I believe it is possible.

By privatizing this phone company, you are going to make rebuilding it just that much harder, and I am ashamed of this whole process, that this is the advanced state of rot of our democracy in this country. It is so disgusting. I very strongly urge you to reconsider.

Mr. Chairperson: Thank you very much for your presentation.

Mr. McAlpine: Thank you very much for your presentation. I, too, am concerned for what you are experiencing. I am sorry that you were misled with

regard to the telephone calls that you received supposedly from somewhere. I know that there—

Ms. Frolick: I spoke with the clerk.

Mr. McAlpine: Okay, just let me finish, please. I know that there is an organization that is making—I have sat through this whole committee, through this whole process, and there is an organization that is in place. It is unfortunate that that is going on and the fact that people are being misled by that.

Ms. Frolick: People are not being misled by that. I would not be here if it was not for those people.

Mr. McAlpine: I respect the process, and I think that we all have to respect the process.

Ms. Frolick: That is all I am asking that you do—is do that.

Mr. McAlpine: I have one question that I would like to ask you, and you have implied this through your presentation, that this government is taking the phones away from the people of Manitoba. Is that your understanding, because that is what you have alluded to through your presentation? Is that really what you are saying, that we are taking the phones away?

Ms. Frolick: If the choice comes down to food or a phone, they are going to choose food. You know, if they have to choose between prescription drugs or a phone, they are going to choose their prescription drugs. If they have to choose between sending their child, you know, to—or buying clothes for their child or a phone, whether you physically take it away from them or whether you force them into a position where they have to make that choice, that is not much of a choice.

* (1400)

Mr. McAlpine: So what you are saying then is that through this bill, people are going to have to make choices, whether they give up their phone or whether they go and buy food or whether they go and buy their prescriptions, and that is what you say this bill is going to do?

Ms. Frolick: Yes.

Mr. Chairperson: Ms. Frolick, can you repeat that answer?

Ms. Frolick: Yes.

Ms. Becky Barrett (Wellington): Thank you for a very good presentation. I am wondering if you are aware of the fact that since the Alberta telephone system has been privatized, recently the CRTC has given Alberta Telephones the authority to raise the local basic rate by \$6 a month for the next two years. Thereby, at the end of two years, the basic phone rate will cost \$12 a month more. Would you care to give us your sense of what that kind of rate increase, what kind of impact that would have for the people of Manitoba?

Ms. Frolick: Twelve dollars a month may not sound like much to most people, but for many people on fixed income, for students, \$12 a month, you know, is the difference. Many of these people do not have any disposable income at all, and so \$12 a month could be the difference between having a phone and not having a phone. It is as simple as that.

Ms. Barrett: My understanding, from what you said in your comments about the importance of a phone, dealing with the health care needs of people, is that a phone is not a luxury, but it is a necessity, and in some cases, it is a lifeline. Is that an accurate representation of what you said, and again, what do you see as the impact of potential doubling and tripling and quadrupling of phone rates having on that?

Ms. Frolick: I mean, it is certainly a lifeline in that, if someone is in trouble, they need a phone, whether it is to call the police or whether it is to call an ambulance or whether it is to call a family member to get them help. You know, certainly, at the very acute level, it is life and death.

Not having a phone could mean that people are going to end up being institutionalized, which we are seeing at an increasing rate, that people are unnecessarily being institutionalized, because they do not have the supports. One of those supports is things like adequate home care; one of them is a telephone, I mean, just to feel connected to the society that they live in, so that they can stay in the community and keep their marbles intact instead of becoming demented because they do not have any communication with the outside world anymore.

Mr. Chairperson: Thank you very much for your presentation, Ms. Frolick. The time has expired. Thank you. I am advised that No. 48 on the list, Eli Jacks, was called earlier and was not present. He is here now and wishes to present today. What is the—

Some Honourable Members: Agreed.

Mr. Chairperson: Agreed. Please come forward. Do you have distribution copies for the committee?

Mr. Eli Jacks (Private Citizen): No I do not. I am ad-libbing the thing.

Mr. Chairperson: Please proceed.

Mr. Jacks: Okay, I have a document here. I am not sure if any of you have seen it. It is the city of Winnipeg phone book. It lists a very large number of people who actually use this service that you are planning on selling to share—initially you are saying it is going to go to private citizens of Manitoba, but as we all know, that is not going to last. You know, the AT&T, MCI, they are going to come in, and they are going to buy this system off the people. There is no way you can stop the people from selling their measly little shares to AT&T and MCI.

If you would like, I will pass this around, if you are not familiar with the names in here. I could read them too, except that I am sure you all know. You are probably all in there.

This is your system as much as it is mine. The thing is, you guys are playing with the whole system. It is not just yours. It is all of ours, and if you guys are planning on selling it, that is just wrong. It is not your system to sell. You are our employees. We voted for you; we hired you. You cannot just do this. You cannot just take this away from us. You cannot do this without a vote. This is our company. I cannot go home and sell my parents' car. I cannot just go and do that. I would like to. I might make an initial profit, but I will be grounded forever. It is the same thing in this situation. You do this, and you are not going to get forgiven by all the people that are going to lose their phones, okay? You guys will essentially be grounded forever. [interjection] Oh, yeah, yeah, you give that little phhh now, but, see, that is what is going to happen.

I do not know how many names are on this petition, but all these people felt strongly about their system, and no one wants to pay the extra money that is going to end up having to be paid to use this system. Maybe you rich guys with your corporate lawyers and stuff like that, you guys can do it. Sure, you guys have no problem, you know, living in River Heights and all that, but how about us people who—we have to make the choice. Like the last speaker said, we have to make the choice between ~~whether~~ we want to spend an extra whatever it is going to be, \$10 a month, or ~~whether~~ we want to eat. It is a pretty easy choice there. You sell this system, okay, you make a bunch of money right there. You sell the system, you get this money, right, but then it is gone. I mean, you are not going to get it back. Five years down the road, you are going to look back and go, wow, we made a bunch of money off it then. That is it. Where has that money gone? It is probably going to go into your pocketbooks.

It is just cruel. It is insane that you guys can think that you can sell this system. I mean, you guys, what is next? You are going to go and sell the libraries to some American company who is going to come and make user fees. I mean, you cannot do that. It is not yours to play with. It is the province of Manitoba. It is our telephone system. You guys think that just because we hired you, just because we elected you, you guys can come in and play with our system, you know, try your little experiments.

Well, you can see. Look at Alberta. It did not work there; it did not. Their rates have gone up. You guys think that it will work here, that Manitobans will keep the stocks in Manitoba? It is not going to happen. We will have the stocks for a week or two, and then AT&T and MCI will come in there with their big lawyers and everything, and they will go, well, look, we want to buy that stock off you. We will give you a couple of cents extra, you know, and then it is gone. Then it belongs to AT&T. You guys are not going to see any more money off it, all their deferred corporate taxes and all that. You are not going to get any money, and we are all just going to get rolled over by this whole thing. If you sell this, you are basically screwing the entire population of Manitoba, and there is no other way to put it.

See, I had a speech, but this is just—who gives you guys the right to do this? I mean, we voted for you, but that does not mean that you guys are God for the four years

that you are in office. You guys just cannot go and do whatever you want. You have to be held accountable for the mistake that this is obviously going to be.

Manitoba has the second lowest rates for phones in North America, second only to SaskTel, which is the only other publicly owned phone system. You guys think it will stay that way once we sell it? If that is what you think, I mean, I pity you, I really do, because that is not what is going to happen. It is not going to be the corporations and the offices and stuff that are going to get hurt, because they have all the money. They are probably going to end up being the ones that sell all this stock off and everything. It is going to be the people, who, for some reason, voted you in, in the first place. It is going to be them that you are hurting with this. I just find that disgusting and repulsive, and I think that you guys should really think a little bit harder before you do this. Well, that is all I have to say.

Mr. Chairperson: Thank you very much for your presentation.

Ms. Barrett: Thank you for your presentation, and I may be making an assumption here, but I would suggest that you are not living in the '70s either.

The question I have for you is, as you have, I think, very clearly outlined some of the implications of selling MTS and some of the problems with it, do you have any idea why the government is doing this at this point in time?

Mr. Jacks: I think they have got these friends that we do not see. They have got these friends named AT&T and MCI, and apparently they take these two friends and they think they are more important to them than the people of Manitoba. We are their boss. We hired them, right, and they think that this short-term gain, if they sell it, they will make a lot of money off it. That money, it will be there. They will spend it and it will be gone, and they do not realize that the rest of us are going to be paying for it forever. So they have their little friends, and their little friends tell them what to do. You know, they are puppets of the system, and that is the way it is.

* (1410)

Ms. Barrett: I do not have any other questions for you, just a comment that I think your presentation was

excellent and that you really seem, from my perspective, to grasp the reality of what will happen to the people of Manitoba if MTS is sold, and I hope that you share your concerns. Oh, I do have a question. I do have a question. You are, I assume, in high school or university.

Mr. Jacks: University.

Ms. Barrett: University. Have you talked to your classmates and friends, people that you deal with every day, and if you have about this issue, what is their perspective on this?

Mr. Jacks: Well, they all obviously do not want it to go because, first of all, us being young people, we tend to spend a lot of time on the phone, as any of you parents probably know. So a lot of these students are living on their own, whatever. They came from outside of the city or living on their own in the city, and the \$10 a month, that may not seem like much to you, you people with the well-paying jobs and huge pensions coming your way; \$10, you know how many boxes of macaroni and cheese that would buy? That is dinner for a couple of weeks, at least.

An Honourable Member: Twenty for the generic stuff.

Mr. Jacks: Yes, that is for the good stuff, but that is so many meals right there, that \$10 a month. It is incredible. No one that I have spoken to actually supports privatization of this system. I have not met anyone. I am sure whoever voted you guys in, I am sure they support it; I do not think they live in Manitoba.

Ms. Barrett: So the people that you are talking to, they are not in favour of the privatization of the telephone system. Does it sound like to you that they are not in favour of it because of an ideological reason, as the government has mentioned to other presenters, but more for practical purposes? They see the impact it is going to have on them today and the impact it will have on them in the future. Is that an accurate assessment?

Mr. Jacks: I think those of my friends that are on—whatever their families are on, welfare or unemployment and everything, of course, they see the more pressing needs of food and shelter and stuff. Even my friends who do come from well-off families, even if they do not see it as a financial thing, it is still their system, and they still think, even the slightest chance it ends up that

privatization of this system is a good thing, which I doubt, it is still—you guys are going about it the wrong way. You guys are getting elected, you guys are taking it, you guys are selling it. Right? We did not elect you on it. Your campaign promise was not to sell MTS. [interjection] No, I mean. No, I do not even know. That is right. Sorry, I am just an idiot, I guess. Maybe I should run for office.

Ms. Barrett: That would be a very good idea. I have a comment, and I would just like to apologize for the comments that were sent your way by the member for Sturgeon Creek (Mr. McAlpine). They were not called for, and believe me, we all do not have that kind of attitude towards people who are making presentations here today. So, on behalf of the entire committee, I apologize for his behaviour.

Mr. Chairperson: Time has expired. Thank you very much for your presentation, Mr. Jacks.

Mr. McAlpine: Mr. Chairman, let the record show that the member for Sturgeon Creek, when the time comes and it is due, will apologize for any actions that are inappropriate.

Mr. Chairperson: Thank you for that comment. We read names. Susan Bard. Susan Bard, not here, the name will drop off the list. Donna Poitras. Donna Poitras, not here, the name will drop off the list. Robert Zawadski. Robert Zawadski, not here, the name will drop off the list. Benoit Souyri. Benoit Souyri. Suzanne Hrynyk. Hrynyk. Please come forward. Do you have copies for distribution?

Ms. Suzanne Hrynyk (Private Citizen): Yes, they are right here.

Mr. Chairperson: The Page will distribute them. Please proceed whenever you are ready.

Ms. Hrynyk: Thank you. First of all, before I start making my presentation, I have several concerns about the process of the committee format for hearing. Just so that all of you are aware, this is the fourth time I have shown up to make my presentation since these hearings started, because my name has moved at least five times to different positions on that list.

First of all, I am very concerned about the issues around the storm, that people from rural Manitoba, because the committee has not been taken out to the rural area, have not had an adequate opportunity to come because of the weather the first two days. So many people were dropped, re-put on, et cetera. Then committee hearings were moved to during the day.

Yesterday I was here for only an hour, because I only had an hour to take off from work, and my name was called approximately 20 minutes after I had to leave from taking an hour off of work. I do not think that is reasonable. I do not think it is reasonable to have committee hearings during the day when most Manitobans, who are private citizens, want to come and make a presentation, are not able to leave work and do not have the flexibility to leave work. Fortunately, for myself, I have some flexible time in my work hours so that I can work extra hours to take an hour off during the day to come to the committee hearing.

My last concern was that I was one of the people who got called last evening who was told that I was dropped to the bottom of the list because I was not here yesterday afternoon when my name was finally called, and then I was told to not bother showing up until tomorrow. I asked, I said, well, are there not going to be hearings tomorrow during the day? Not that I am aware of, the clerk said, and I said, well, I am pretty sure they are supposed to be tomorrow as well. She said, well, that is not what we were told. You will probably get called Saturday. Well, it is Friday and here I am.

So those are my concerns with this whole process of what has gone on, aside from my concerns regarding the bill itself. I think that is pretty appalling to have gone on in three or four days in total.

So I would like to proceed with my—actually I do have a request regarding that. I am concerned that there were many individuals who were told to come tomorrow and not to come today, and I would like to see that if any of those individuals raise concerns regarding the fact that they were called that they be immediately put back on the list. I think there are people who have been taken off that list prematurely, and I think they deserve to have the right to be put back on the list.

I would like to begin my presentation regarding Bill 67 by stating that the Progressive Conservative government has no mandate to sell MTS. During the provincial election in 1995, they promised that they would not sell MTS. The government repeatedly asserted in the House that it had no plans to sell the company, even though at the time it had commissioned appraisals for the organization, for selling.

Not only did the government promise not to sell off MTS, it has not held any consultations with the people of Manitoba on the planned sale. The government has required MTS to spend nearly half a million dollars on things like the misleading, quote, MTS Answers letter that every Manitoban got in the mail, and I believe that was roughly a week and a half ago, but it has never had a public meeting or consultation or meetings out in the rural area.

Experience with other provinces has shown that private companies are likely to increase rates much faster than publicly owned companies. For example, AGT, the Alberta phone company that was mentioned earlier on, recently received a \$6 per month increase compared to the only \$2 a month increase in Manitoba. MTS has the lowest phone rates in North America. Among the reasons for this is that MTS is a nonprofit Crown corporation, although it should be noted that substantial profits have been made by the corporation. Because it is owned by the government, it pays less tax and lower interest rates on its loans. Can rates stay low if the newly private company has to pay more tax, higher interest, and must satisfy shareholder demands for higher profits every year? I would assert that, no, it cannot maintain the low rates.

MTS has a rate structure that ensures that rural and northern Manitobans do not have to pay as much as \$40 to \$50 per month for phone service, and how long will this last under a private company? The welfare system does not recognize a telephone as a necessity, and we have heard from previous presenters that there certainly are concerns with that. How many Manitobans living on fixed incomes will lose touch with friends, relatives, miss out on job opportunities or find themselves without service because rising rates force them to give up their phones? How many Manitobans will be unable to call for assistance for an ambulance without a phone? It is easy to see that without the ability to pay phone rates, that an individual's health and safety will be compromised.

I myself am a nurse, and I certainly reassert to you that what the previous presenter Ms. Frolick shared with you is very accurate and extremely factual. Many people, all they have is the phone to call for an ambulance, and it is disgusting to think that even more people, if this company is sold off to private agencies, will not have a telephone and will be at a higher risk for losing their health care service, and I think that is deplorable.

We have owned MTS since 1908. It is a well-run, profitable company. When we own MTS, we have a say over its future. After it is sold off, we have no say in how it manages itself. The privatization of MTS opens the floodgates to future privatizations. The government could move on to Hydro, the Liquor Commission, all of which are profitable companies which provide affordable service to Manitobans. Under this government, Manitobans are losing control of their economy.

The bottom line is that MTS provides affordable rates, good service, quality employment for Manitobans and makes a profit. There is no reason to sell MTS and every reason to keep it. That is the end of my presentation.

* (1420)

Mr. Chairperson: Thank you for your presentation.

Ms. Barrett: Thank you very much for your presentation. I have a question about the process concerns you had at the beginning of your presentation.

The Premier (Mr. Filmon) and others in the House, and I am not sure if you are aware of this, have made statements saying that this is the most democratic hearing process in the country because we do have public hearings on every single bill, but they have refused to take the hearings outside the city of Winnipeg, even though it is a million shareholders that are being held to ransom here, and hearings are only being held in the city of Winnipeg.

Do you have any thoughts as to why you think the government is making these comments about how democratic the hearing process is, and at the same time that they are not prepared to go outside the halls of the Legislature to hold consultation or public hearings on this bill?

Ms. Hrynyk: It would appear to me that it is very easy to state that in appearances it looks democratic. Yes, we

have a meeting, and, yes, people can put their names on the list, but the geography of Manitoba in itself makes the process undemocratic. You have people that have up to 12- and 13-hour drives to come into a meeting. I really find that the geography itself does not make the process credible for it truly to be a democratic and accessible process.

People should be expected to travel a reasonable amount. I assert that to come and such for myself, I had to come on four different occasions to be heard. To make a 13-hour drive for each of those four different occasions is highly unlikely to happen, and I assert that that makes it not a democratic purpose when you get down to it.

Ms. Barrett: You were talking about the affordable rates and the rate structure that currently ensures that rural and northern Manitobans do not have to pay as much as \$40 or \$50 a month for phone service. I assume that because you mention this, you are aware of the fact that currently if full cost recovery were to be undertaken in rural and northern communities, the monthly rates would be \$40 to \$50 and in some cases closer to \$100 a month for the community of Churchill.

What are your comments about the impact of moving towards full cost recovery under a private system for rural and northern areas in conjunction with the lack of hearings being held outside the city of Winnipeg?

Ms. Hrynyk: I think it is quite deplorable that people who now have a service at a very affordable rate who in the coming year could have their service in some instances multiplied eightfold to have service, if we are talking about a hundred dollar service for line rental or for what have you, telephone rental, I think it is unreasonable that those people have not had full opportunity to have a hearing in their region. I do not think it is reasonable to expect 50 or 100 people to come from Churchill to Winnipeg for hearings. I do not think that that is reasonable.

Further to that, I have lived in the United States and have paid under a private system, and it was pretty amazing how quickly a phone bill can add up when you are charged for every call you make, whether it is down the street or to another city that is in the same state, in that case when I was living in Connecticut.

Ms. Barrett: I would like to refer back to the very beginning of your comments about the process and ask you if you have any reason to believe, as has been asserted off the record by the member for Sturgeon Creek (Mr. McAlpine), that you were not called originally by the Clerk's Office but were called instead by an unnamed group.

Ms. Hrynyk: The phone call that I received last evening, the woman was very polite on the phone who called me and said, Ms. Hrynyk, this is the Clerk's Office. It was pretty clear to me that it was the clerk who had called my house.

Mr. Chairperson: Thank you very much for your presentation.

I now call Carol Klagenberg. Carol Klagenberg, not here, her name will be dropped off the list. Ronald J. Fingler. Ronald J. Fingler, not here, name will be dropped off the list. Elizabeth MacNeish. Elizabeth MacNeish, not here, her name will be dropped off the list. Dan MacNeish. Dan MacNeish, not here, name will be dropped off the list. Katherine Clune. Katherine Clune, not here, her name will be dropped off the list. Gillian Mueller. Gillian Mueller, not here, her name will be dropped off the list. Graham Dowdell. Graham Dowdell, not here, name will be dropped off the list. Rosa Orlandini. Rosa Orlandini, not here, name will go to the bottom of the list.

Garth Demetriooff. Garth Demetriooff, not here, name will go to the bottom of the list. Harle Robins. Harle Robins, not here, her name will go to the bottom of the list. Hazel Griffin. Hazel Griffin, not here, her name will go to the bottom of the list. Werner Hiebert. Werner Hiebert, not here, name will go to the bottom of the list. Jim Silver. Jim Silver, not here, name will go to the bottom of the list. Kevin Dearing. Kevin Dearing, not here, name will go to the bottom of the list. Jacquie Wasney. Jacquie Wasney, not here, her name will go to the bottom of the list. Norman Jacobson. Norman Jacobson, not here, name will go to the bottom of the list. John Chetyrbuk. John Chetyrbuk, not here, name will go to the bottom of the list.

I go to 142. Patti German. Patti German, not here, her name will go to the bottom of the list. Jenny Gerbasi. Jenny Gerbasi, not here, name to be dropped off the list.

Kim Milne. Kim Milne, not here, name dropped off the list. Arni Arnason. Arni Arnason, not here, name dropped off the list. Jean Altemeyer. Jean Altemeyer. Please come forward. Do you have copies for distribution?

Ms. Jean Altemeyer (Private Citizen): No.

Mr. Chairperson: Please proceed.

Ms. Altemeyer: It occurred to me when I was hearing some of the previous presenters that maybe the confusion around the calls from the Clerk's Office is—it is my understanding that Frank McKenna considers the telephone system an asset to his province. So maybe they have the subcontract, and there is confusion around time system or something.

I want to thank you for the opportunity to appear here. I know that some people have been told that this is an advantage and it is unusual that the citizens have a chance to appear on bills like this and that Manitoba is unusual. My feeling is that it should be considered a model as opposed to an anomaly and would like to see it promoted elsewhere rather than held up as some kind of privilege we have that we could lose. This process, as a number of people have expressed, has been pretty difficult to take. I mean, the timing is one thing; but when you read comments and stuff in the media about the government is not going to pay any attention, it is not going to make any difference—I wrote this some days ago. I have sort of lost track of which days I have been here. But in the Free Press, I believe it was yesterday, the Premier (Mr. Filmon) was quoted in the paper saying his government will be paying attention to the presentations. He then went on to say, I am satisfied that when people see the results of what has happened, they will be more than happy with the change in ownership.

* (1430)

It certainly sounds to me like we made a deal already, and so it is a little disconcerting to be up here talking about something that may already have occurred. MTS previously was required to serve the public interest. As I understand it, that is a statement in part of it—the current act which is now being amended. That charge of serving the public interest is dropped from the bill that is currently under consideration. The cynic in me nods and

says private enterprise and public interest are antithetical, and then I stop and say, do not be such a cynic, because I think of various small and large business entrepreneurs I know, and I chastise myself for sort of a knee-jerk cynicism. That leads me back to the fact that this government has dropped that public commitment from this bill, and so it is not a cynical observation but a useful indicator of the government's orientation.

About what appears to be an anticipated rate increase, at the moment we have a public asset. I see it is an asset, the government seems to see it as a debt. We then have some control over how that asset is used, and the assumption would be that if this changes out of the public into the private sector, there are going to be increases to the rate. These increases are not necessarily going to be because my phone will work better but in order to pay profit to shareholders and taxes on a service that is now currently not taxed. I know there was discussion in the paper about the taxes that are going to be paid are going to be offset by debt charges and stuff, and that is beyond my capacity to sort through all of this, but I do not understand why we as a public, currently getting a service, then look at increased rates not for an increased service but to provide profit to a limited number of people as opposed to a service that benefits us all.

Also, this is a theme that I have heard other people reflect, as I have been sitting in the room waiting the Russian roulette game to see if my name is going to be called. Clearly this plan seems to have been in the works for some time. Other people have referred to the information and the time line that leads them to that conclusion, so I will add my voice to those who say why was it not part of the most recent election? I noticed that at least Margaret Thatcher and Mr. Harris and Mr. Kline told their folks what to expect. We were not told, and that seems strange. It is not unlike during the last election, the government said, we will only provide \$10 million for the Jets' bail-out. Within days of the election that suddenly ballooned to \$30 million. So it is sort of like one thing either is said and then changed after the election, or it is not said at all during the election. It is also part of a pattern of the government wanting us to think of things episodically, like, MTS does not have anything to do with anything else, and yet it is the context that is really important so that it is a pattern. It is the specifics of what is being done with MTS, but it is a pattern of other initiatives.

I would also like to comment about when—let me see if I can say this clearly—when a service is privatized and there are costs to the public, those costs do not seem to be reflected in the bottom line. They seem to disappear out of part of what this cost us, because it is suddenly in the private sector, so you do not have the scrutiny, you do not have the access. So it is like these costs just disappear into air. I try not to think that I am that dim that I do not understand that, and I would like to understand why we would want a service as important as telephones. All of the other communications available through the phones should not be subject to the kind of public scrutiny that you get when they are a public corporation.

I am also strange, I mean I am also confused about why a government that seems to favour private enterprise and trust the market would sell off our assets so cheaply. I also want to know why you would disassemble what seems to be a strategically located and relatively advanced technology and why you would add the cost to each taxpayer so that the shareholders share in the money.

I notice this, which I think came out two days ago, of touting this new thing about the Internet so that instead of having to wait a minute, it happens in a second, which I find a little hard to understand, but this sounds to me like this is a really good system. If this is a really good system, why are we selling it? If it is not a really good system, why would anybody want to buy it? So I just find myself increasingly confused.

I also notice in this puff piece that came out, I think Winnipeg 2000, it talks about the Manitoba Telephone System, among others, on the strengths of our past. Established in 1908, MTS is the premier supplier of telecommunications in Manitoba. With its province-wide digital network, extensive fibre optics network and ATM broad-band network connecting the main communities of the province, MTS is well positioned to capitalize on emerging market opportunities. Recognizing the opportunities of a convergent world and global network, such as the Internet, MTS' objective is to create an in-province, on-line infrastructure to provide business and consumers with an electronic marketplace to distribute and purchase goods. It sure sounds to me like something we ought to sell, and I am going to quit at that point.

Mr. Chairperson: Thank you very much for your presentation.

Mr. Sale: In your work, do you deal with folks who are in the workforce, folks who are in education work? What sort of work do you do that takes you out of your house?

Ms. Altemeyer: You can actually call me Mrs., it is okay. I work with a variety of people. I work with people who are professionals. I also work with people who are absolutely up against it in terms of how to get through clothing, housing and shelter.

Mr. Sale: Have you had any conversations with people with whom you work or the people that you describe latterly that are up against it in terms of their views of this sale?

Ms. Altemeyer: This might strike people around this table and in this room as strange because we have such incredible energy focused on the future of the telephone, but people who are living as close to the edge as some of the folks who have been up here speaking on their own behalf do not have a lot of energy left to worry about what is happening to the telephone; it is just something they do without. I have a number of people who do not have a phone who are living in vulnerable circumstances, but a phone is not an option and what it does is it atomizes their life further. Sometimes, when people are in stress, they seek community because they seek support. Other people, when they are under stress, then they withdraw, and one of the strategies around breaking up communities is to make sure there are atoms.

* (1440)

Mr. Chairperson: Mr. Mackelpine—McAlpine, sorry.

Mr. McAlpine: Mr. Chairman, I think the Scots would be very impressed or would take you into question on that. But, Mrs. Altemeyer, you are a private business person?

Ms. Altemeyer: No.

Mr. McAlpine: No, oh, I am sorry. I got that from your presentation, but I am outside this Legislature, and for many years, I have been without that so-called job. I have created my own in private business, in setting up businesses. Anytime that I did not have a job, as we know in this world today, I went out and established my own, and in those jobs, or those businesses, I should say,

that I had developed and worked to try to make successful, I have had to do a lot of things in the private industry. A lot of the services that I provide, I get no remuneration for at all. Anytime I am dealing with the public companies, whether it be MTS or MPIC or Manitoba Hydro, every little thing that they do for me, I pay for them. There does not seem to be the interest in service in the monopolies. What do you have to say about that?

Ms. Altemeyer: Let me paraphrase, see if I understand the question. You are separating your role as a businessperson from your being a citizen, because clearly you get benefits from each of those monopolies that you named as a citizen, but you are saying that you do not get treated the same way as a businessperson. Am I reflecting what you asked?

Mr. McAlpine: Just to clarify, I guess every service that the monopolies provide there is a charge for.

Ms. Altemeyer: To you as a businessperson.

Mr. McAlpine: No. To me as a businessperson or me as a citizen. It does not matter, but I am, as a private businessperson, and I take the attitude that if I am going to be successful in that business I have to earn the right so that I have to provide a service, but that is not so in the monopoly. So, consequently, me as the private citizen or me as the small-business entrepreneur has to pay for those services that, if the service were in a private business, would maybe be provided for me without any charge.

Ms. Altemeyer: My feeling about that is that there are costs and there are costs. My personal experience is that I have received excellent service from each of those monopolies you mentioned, and in fact when I get called by all of the various call centres wanting to sell me stuff other than MTS, as soon as I know that is what they are doing, I say, I support MTS, I am not interested in anything you have to offer, and I hang up.

I feel that if there were competition, a particular fee may be lower, but somewhere along the lines you have to pay for the duplication, you have to pay for the advertising and you pay for the competition. You see this around in the States with the privatization of health care and the multiple billings and the amount of money that is

eaten up in administrative charges. I do not see that having competition in phones, hydro, insurance would be any different a result. It is who is it that benefits from what appear to be lower fees but who is actually paying, in the big picture, what appear to be larger fees.

Mr. Chairperson: Time has expired, and thank you very much for your presentation. I would like to bring something before the committee right now. I am advised that Mr. Bob Romphf registered today to speak to the committee, and he is present in the audience and has requested to speak, and so I seek the advice and direction of the committee in this regard. He registered this morning.

Mr. McAlpine: Mr. Chairman, I have no difficulty with that. The only thing is that there are other presenters that have come and that have waited a long time, and in fairness to them—you know, I have no problem with that—I think that we have to keep that in mind too that there are a lot of people that have been waiting a long time. I would not want the committee to lose their focus in terms of the order that they are received.

Mr. Sveinson: Yes, Mr. Chairman, if there is some urgency for this gentleman or any other person for that matter, if they could let the clerk know, the committee has and I am sure will take that into consideration and probably move them forward. If there is not an urgency, then let us try to hear all the people there in order.

Mr. Chairperson: What is the will of the committee?

Mr. Sale: Mr. Chairperson, I suggest we follow the practice we have in the other hearings of the committee and that is canvass the house, see if there is anybody else who must be heard today and stay to hear them past three o'clock and agree by leave to do that if we must do so to accommodate someone who cannot come another time.

Mr. Marcel Laurendeau (St. Norbert): Mr. Chairman, there might be some people that have to leave the committee at three o'clock, but as long as there is leave of the opposition to do some replacements on the committee, I think we might be able to—[interjection] No, no, we realize that. All I am saying is we might have to make some changes to accommodate what is happening at this time.

Mr. Chairperson: Is that agreeable? So it is agreed that we can sit past 3 p.m., using 3 p.m. as the rule as we did with midnight in the previous times—is that okay?

Some Honourable Members: Yes.

* (1450)

Mr. Chairperson: So I will continue on the list at this present time. Call Barbara Martin. Oh, yes, while I am calling the next speaker on the list, those that still wish to make a presentation today may do so by registering with the Sergeant-at-Arms at the back of the room. I will keep calling names on the list right now.

Barbara Martin, not here. Pat Martin, not here. Alida Friesen. Alida Friesen, not here. Robert Lang. Robert Lang. Charlene Ball. Charlene Ball. Lisa Bukoski. Lisa Bukoski, not here. T. MacDonald. I am sorry, these names are coming off the list. T. MacDonald, name will be dropped off the list. Barb Ames. Barb Ames, not here, name will be dropped off the list. Yutta Fricke. Yutta Fricke, not here, name will be dropped off the list. Werner Wirz. Werner Wirz, not here, name will be dropped off the list. Jocelyn McGuire. Jocelyn McGuire, not here, name will be dropped off the list. Gail Coyston. Gail Coyston, not here, name will be dropped off the list. Maurice Paul. Maurice Paul, not here, name will be dropped off the list.

Catharine Johannson. Catharine Johannson, not here, name will be dropped off the list. Margaret Maier. Margaret Maier, not here. I am sorry, Catharine Johannson will go to the bottom of the list. Margaret Maier dropped off the list. Carol Furtado. Carol Furtado, not here, name will be dropped off the list. John Cordasa. John Cordasa, not here, name dropped to the bottom of the list. Derek Davie. Derek Davie, not here, name will be dropped off the list. Helen Wythe. Helen Wythe, not here, name will be dropped off the list.

Floor Comment: I know she was called and told she was scheduled for tomorrow, so she wanted to know if there was a particular time.

Mr. Chairperson: If she appears tomorrow, she will be heard.

Teresa Coles. Teresa Coles, not here, name dropped off the list. Victor B. Olson. Victor B. Olson, not here, name will be dropped off the list. John Bilyk. John Bilyk, not here, name will be dropped off the list. Don Solivan. These are new registrants to the list today. Don Solivan. You can write them in at the end of your list. Don Solivan, not here, his name will go to the bottom of the list.

Bob Romphf: It took a while, but we made it. Do you have anything to hand out?

Mr. Bob Romphf (Private Citizen): No, I wrote this out this morning, so I am sorry I do not have a written presentation and I will not take much of your time.

Mr. Chairperson: Please proceed.

Mr. Romphf: My name is Bob Romphf. I am I guess a private citizen in this. I live in Westwood in Mr. Stefanson's riding, and I should tell you I do not carry anyone's political card, but I reserve the right to give each and every party heck if they are doing the wrong thing. There do not seem to be a lot of presentations from northern Manitoba. I grew up in Flin Flon in northern Manitoba, and it seems to me that there were a lot of workers from the Manitoba Telephone System that laid cable and line across the muskeg and the rocks and the trees, if anybody has been up North, and I doubt whether AT&T or Sprint or any of those people for those companies would be braving the flies in the summer heat or the snow in the winter.

I deal in the world mainly of investments now, and I have discussed this issue a lot with various money managers. It seems to me the word out there in the global world is there are few countries around the world that have given up control of their essential resources as much as Canada and many of the provinces have. We unfortunately have to look into the future because once we give these resources away, we may never get control of them back. I doubt whether, as I said before, that companies would invest in the infrastructure into the future. We are not always sure what that infrastructure is going to be. If it is fibre optic cable north or something like that, they may decide we are not prepared to go longer than Selkirk.

So what does that mean to the rural Manitobans? Unfortunately the way this is set up, it does not seem to me there are a lot of people from rural Manitoba that are speaking here so I thought I would kind of throw that in even though I do live in Winnipeg now.

One thing, and some other people have mentioned this today, is that it seems very strange to me that the proposal here is to offer shares in the new telephone system. Why would I buy shares in something I already own? That seems to be very strange to me. I mean, it is like offering it back to me again and I have to pay twice for it. My father paid for it in his taxes, and if we look back to 1908—I am not sure which government brought in this thing. It could be the Conservatives or the Liberals or the New Democrats later on, but the thing is we have to remember that this is a legacy for all of us who came before and for our kids coming up in the future, and it seems like we are giving away one more key resource.

Now one thing—and I do not want to pick on people, but I will pick on Mr. Stefanson because he is my MLA—when the last election was in place, and I am always cautious to look for this type of thing, there seemed to be no mention whatsoever that Manitoba Telephone would be privatized. I do not remember that when people came around to my door in Westwood, that Manitoba Telephone would be privatized, and the thing is, ladies and gentlemen, we have to step back on this. I know other people have said this, but there is no mandate here to privatize Manitoba Telephone. There is no mandate for that.

Now, I would also say this, and I have learned this in my job, you cannot legislate wisdom. Sometimes people are bound and determined to be foolish, and that goes for parties and governments. The thing is, if the people of Manitoba are so foolish to give away at a fire sale price their legacy and their future, then so be it. I guess they deserve what they get in this thing. I just cannot see the business sense of this, and I cannot see the future sense. The various governments were entrusted with this for the future. This is a serious thing. Twenty-five years from now, you have to be able to look at yourself in the mirror and say, did you make the right decision. Integrity is important, very important.

The other thing I would say to this, and everybody will complain to you on this thing, but this seems to be kind

of a hurry-up offence that is going on here. Now, you can call it undemocratic or you can call it whatever you want, but the thing is if you look at shareholders out there, you ask anybody for investments out there, remember what is put in legislation can be reversed. If somebody comes in and thinks they are buying something for \$10 a share, and it turns around and they get \$1 a share or whatever the buy-out price—I lived in Saskatchewan for a while. The potash companies went back and forth in that whole system a few times.

When you tell somebody, anybody who is going to invest in this, probably from Wall Street, if they are going to invest in this, I would say, put it right up front to them that they may not get the capital that they are putting into this. They may lose your shirt in this because as we all know in this world, governments come and go, and as governments come and go, what was put in can be reversed. The big loser out there can be the investor. Those people who come in, make sure you tell them, there is big risk out there. [applause]

I did not pay for that by the way. I am not used to that kind of stuff behind me, but anyway I wanted to make sure you were clear on that type of thing, and sometimes when integrity comes into it, you have got to do the right thing. It seems like this is ill-fated and ill-planned. If you go to the people next time and you ask the question and they give you the clear mandate, well, I guess the people spoke. What can I say, that is it.

That is about all I have to say. Everybody will give you the stats and the facts, and it does not seem like too many people are speaking for this proposal. I do not know where they are around the province, but, anyway, thank you, I appreciate your time.

Mr. Chairperson: Thank you very much for your presentation. Questions?

Ms. Barrett: Thank you for your presentation and from the investment perspective, quite interesting. You stated that the government, you felt, had no mandate because they did not run on privatization of the telephone system. When this has been raised in the House, the Premier (Mr. Filmon)—and I think it was as late as yesterday—said that governments are elected to govern and to make decisions and to take responsibility, and I think everyone would agree that you cannot possibly know everything that is

going to happen or go to the public on absolutely everything.

The government does have to make these decisions, but people think that this is something different, my sense is, that selling the Manitoba Telephone System is not the same thing as making a decision on whether you are going to increase the lottery hours or make changes to some acts.

Mr. Romphf: I will give you an example of this. If the Ontario government was going to say they are going to close the Welland Canal or they are going to stop the Great Lakes, and the government had to make legislation to counteract that, I can see that. I would say out there in the world, because I do deal in the investment world, nobody told me out there that there was a crisis, an emergency, our country was going to separate on this issue or whatever. So the thing is if you run on a mandate, that is fine. If the people vote for it, that is fine, too, but making the rules up as you go along is a dangerous thing to me with something like our essential services.

When I look at power, and I know that is in the news, and I look at health care and I look at our telephone system, these are our essential jewels that make and protect our province. We are not talking about other types of resources. Those are things that governments are there to protect and preserve. They are not there to sell off, because once you sell them off, they are hard to get back.

* (1500)

Ms. Barrett: I think you have made the distinction about certain kinds of decisions versus other kinds of decisions. Earlier in your presentation, you spoke about the North, and you did not think that AT&T or Sprint or MCI would put in the services, get rid of party lines that a publicly owned company would. Can you give me a reason why you think that that is the case?

Mr. Romphf: Do you know why? Because it takes too much work, it is too much effort, and there is no short-term profit in the next two years. That is why. There is nobody from New York that is going to cut a new road from Flin Flon to Lynn Lake. I mean, they are talking about the train system. We know this other, it is a related

issue. Who is going to go and make a new railway from Lynn Lake to Flin Flon? Do you think anybody from New York is going to do that? Not a chance, and that is how I view that.

Ms. Barrett: You talk about AT&T and Sprint, American companies and investors from New York, my understanding from the government is that the original shares are going to be offered, a vast majority are going to be required to be sold to Manitobans. Do you see a problem in the future? Do you think there is a possibility in the future that Manitobans will not, even though they are a smaller number because they are shareholders, different kinds of shareholders—but you talk about New York. Is there a problem down the way that you see in control?

Mr. Romphf: It all depends on who gets to—what do you get, one share? How many people can come up with 100,000 shares? I mean, only independently wealthy people can do that type of thing. If you have one share, what is the difference between having \$10 in MTS? You own it now anyway. You probably have more influence, hopefully, through your MLAs. That is what you elected them for, to protect your trust. So now you are putting a price on the trust at \$10 a share.

So how many shares—look at the average income of Manitobans. How much money do they have to buy shares. They do not have any influence in that. Only about one-tenth of them even own securities, and most of them are definitely are not in Manitoba.

Mr. Chairperson: Ms. Barrett, for a quick question.

Ms. Barrett: As an investment person, is there any legal protection that can be put in the legislation to ensure that as shares get transferred from one owner to another, it will not dilute so that—like CN is now 65 percent owned by American interests, can we protect in that way?

Mr. Romphf: I suppose there are some ways whereby if you sold enough shares, only a block set of shares, but then they almost come like debentures or bonds. You are really buying like a HydroBond, or you are buying an MTS bond. If only a quarter of the shares outstanding can be sold outside the province, then really all you did was retax people on the same thing that they own anyway. It becomes a tax and not a preferred share.

Mr. Chairperson: Time is expired. Thank you very much for your presentation.

Mr. Romphf: Thank you, Mr. Chair. I appreciate it.

Committee Substitution

Mr. Sveinson: Mr. Chairman, I move, with leave of the committee, that the honourable member for St. Norbert (Mr. Laurendeau) replace the honourable member for Kirkfield Park (Mr. Stefanson) as a member of the Standing Committee on Public Utilities and Natural Resources, effective now.

Mr. Chairperson: Is there leave? [agreed]

Ms. Barrett: My understanding is that we should put on the record that that change will then be brought forward to the House at the next sitting.

Mr. Sveinson: With the understanding that the same substitution will also be moved in the House, be properly recorded in official records of the House.

* * *

Mr. Chairperson: As by earlier agreement, we look at three o'clock as the midnight rule, and we have one additional person registered to speak, so I will call Beverly Hawkins who was registered to speak. Beverly Hawkins, No. 37 on the list. Have you copies to distribute? No? Then please proceed.

Ms. Beverly Hawkins (Private Citizen): Thank you very much. I am in luck today. I just showed up an hour ago. I have had a very few—time to collect my thoughts, so forgive me if my thoughts are not quite as ordered as I might have chosen to have them. My background is in nursing. I am in business today with marketing companies, two of my favourites, MSA and Network 21. I am an impending Rotarian, and I am exercising my first duty as an impending Rotarian, which is a four-way test. Is it the truth? Is it the best for all concerned? I am stopping right there, never mind the other two rules. How this bill reflects the Conservative agenda, you have heard that story. You had no mandate for this move. I say, wait until your next election comes up before you make your move.

This room is not sufficient for the mandate that you serve. You need a much wider coverage of this issue. Next to being able to look eyeball to eyeball, voice to voice, communicating in that course, phones are the next closest issue to that issue. The process the government has chosen is intimidating. The already decided scenario is a pain in the—MTS is a public asset. It belongs to the people.

My focus here is as an activist for service to the governed people. Someone mentioned that we are discussing our family jewels here, maybe family jewel No. 1. I do not have any fear of the competition, Sprint. In fact, you should know that I am signed on with Sprint. Monopolies have a head problem, just by the very nature of the name monopoly. This family jewel should go at the lowest price for the best quality service.

This monopoly is making money, good money, a tidy profit. I suggest, rather than losing 4,000 jobs to the people who are currently employed, that a mission statement be taken and those 4,000 employees make sure they get a say in that mission statement, and if the current management cannot make that mission statement stick with their management style, then maybe the management needs to be replaced. That is a lot fewer job losses.

In governments, we do not have a monopoly. We have at least two parties or better. Democracy is served by the free enterprise exchange of communication and debate. Monopolies can become complacent, so those are the major ideas that I have been able to come up with in this last hour, and I could not say more strongly or repeat more strongly, the governed people have not given you a mandate to make this decision. I say wait. Ask them and see if they give you that mandate. What is the rush? It is a bum's rush. You are not in financial trouble. I say this monopoly should smarten up.

* (1510)

Mr. Chairperson: Thank you for your presentation. Are you prepared to answer some questions?

Ms. Hawkins: Sure.

Ms. Barrett: Thank you. I appreciate your comments. You tell the government, what is the rush; they did not have a mandate. Do you have any ideas about why you

think the government is rushing into this, making this precipitous decision without getting a mandate from the people?

Ms. Hawkins: Do I have any idea why? Well, obviously, they seem to think they have got the inside story. However they frame what the inside story is, they think this is politically okay. The people are going to love us anyway, or they are going to forget by the time of the next election.

Today, you know, there is so much out there, and the governed people think what the hell, you cannot fight City Hall, why try to fight government, right? This little room is a wonderful example. How many people can get their butts down here? I mean, this is not a big enough forum for the question of the governed. Okay? It just is not a big enough forum.

Ms. Barrett: The government did not talk about this in the last election, so they did not have a mandate.

Ms. Hawkins: No, apparently they absolutely said they would not do that. I mean, they absolutely said they would not do this.

Ms. Barrett: True. What do you think about—okay, we are a year and a half after the last election and a fair bit of time until the next election under normal circumstances. What do you think about the idea of having a plebiscite, a vote of all Manitobans on this issue now, before Bill 67 is finalized?

Ms. Hawkins: Plebiscites are a costly deal, just as referendums and all that kind of business are a costly deal. Why do you not just open this to free-line media, call-in? I mean, the media are always looking for the brightest story of the day. Why do we not flash it on the news? Media, people come on over to their local radio, their local TV stations, their local whatever. You know, sound off the man, anybody, you, me, whoever. Sound off, you know. Like today you have to have a lot of media for a lot of people to sit up and say, why, what is this all about? What is the question? What is at stake? What is the scoop? TV, radio, newspapers, hey, suggest let them pay for it.

Mr. Sveinson: I would just like to make a comment that I have made, I do not know how many times, in this committee. It seems, on occasion, that this word just happened, that the legislation perhaps was just put out there a week ago or so or two weeks ago. The legislation

has been out there for over some five months, and the media has been talking about it. It has been on Question Period, it has been on news, it has been on TV, it has been in papers, on radio. It has been out there for some five or six months.

Ms. Hawkins: And the people are thinking it does not matter what we think. This is what they are doing.

Mr. Sveinson: It is not at all. Quite simply, what I am saying here is that the media has announced it, we have announced it, MLAs all over this province have announced it.

Ms. Hawkins: Announced what?

Mr. Sveinson: And we have talked to people out there.

Ms. Hawkins: That we have a choice? You have announced that we have a choice?

Mr. Sveinson: What I am simply saying is that in fact it has been out there, and now we are talking. I am hearing comments like it just happened. It has not just happened.

Ms. Hawkins: I did not say that.

Mr. Sveinson: Okay. I thank you.

Ms. Hawkins: Yes, choice. Whoever told us that we had a choice here?

Mr. Chairperson: Okay. Thank you very much for your presentation.

As agreed, after hearing all the presenters, the committee rise until 9 a.m. tomorrow here in this room.

COMMITTEE ROSE AT: 3:15 p.m.

WRITTEN SUBMISSIONS PRESENTED BUT NOT READ

Re: Bill 67.

As a citizen and taxpayer of Manitoba, I am appalled that this government has decided not to hold public hearings in regard to the pending sale of the Manitoba Telephone System in rural and especially northern

Manitoba. This action denies citizens outside the Perimeter of Winnipeg the opportunity to voice their opinions, whether for or against, on this matter.

voice for this government to make the best possible decision in this regard.

I would strongly urge the Minister responsible for MTS to reconsider this decision and give all Manitobans a

Jasper Robinson and family
Thompson, Manitoba