

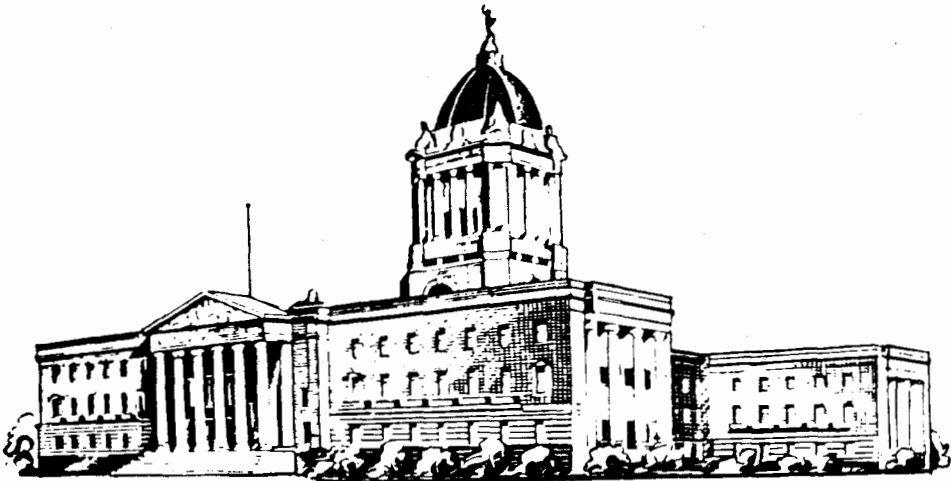


**Legislative Assembly of Manitoba**

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**HEARINGS OF THE SPECIAL COMMITTEE  
ON  
PUBLIC UTILITIES AND NATURAL RESOURCES**

**Chairman  
Mr. Harry Shafransky, M.L.A.  
Constituency of Radisson**



**10:15 a.m., Tuesday, April 15, 1975.**

PUBLIC UTILITIES AND NATURAL RESOURCES COMMITTEE  
10:15 a.m., Tuesday, April 15, 1975

CHAIRMAN: Mr. H. Shafransky.

MR. CHAIRMAN: Order please. This morning we are to hear the Annual Report from the Manitoba Telephone System, and I call upon the Minister responsible for the Manitoba Telephone System, Mr. Turnbull.

MR. TURNBULL: Thanks, Mr. Chairman. I would like to say to the Committee that it certainly is appreciated by me to be able to bring the Annual Report of the Telephone System to this Committee for its consideration, particularly as the Report that we're looking at, that of 1973-74, was one in which the System made a substantial profit.

The changes that have occurred over the year I think have been outlined in the Annual Report, and you've all received copies of it some months ago, and I would like, without making any further opening remarks, to call upon the Chairman and General Manager of the Telephone System, Mr. Gordon Holland, who was appointed Chairman and General Manager just over a year ago. Mr. Holland.

MR. CHAIRMAN: Mr. Holland.

MR. HOLLAND: Thank you very much, Mr. Chairman. First of all, I would like to introduce to the Committee some members of our Board and our officers that are present this morning: Gordon Fines from our Board; I thought I saw Jim Walding, MLA, from our Board; Glover Anderson, our Vice Chairman; Bob Vannevel, our Director of Finance; Gordon Backhouse, Director of Administrative Services; Mr. Ken Beatty, our legal counsel; and Keith Axford from my office.

With your permission, Mr. Chairman, I would like to make a few observations on the Report and then attempt to answer any questions the Committee may have.

My appointment to MTS is not quite one year ago, Mr. Minister, it was May 1, and this being my debut before the Committee I hope it would be appropriate for me to pay tribute to my predecessors, Jim Mills and Jim Fenton, both of whom had some 45 and 47 years' service at MTS and, from my observations over 11 months, built a very strong organization with excellent people. The Annual Report was mailed to all members in late summer of 1974, and of course has been tabled at this session.

The year ending March, 1974, was one of satisfactory growth in all aspects of the business. We completed our capital construction program as planned in the sum of \$41, 100, 000. We had a 32, 569 gain in stations, or telephones. That surpassed the previous year's record of 26, 476 by over 6, 000 telephones. By the end of the year we had 520, 588 telephones in place, and at the end of the year just completed a few days ago, we were at the 550, 000 level. The total investment in telephone plant at the end of the fiscal year was over \$385 million, the undepreciated investment. That represents an average telephone investment of some \$741 - that's up by one-third from the \$558 per telephone in 1965. The system is now more than 98.3 percent dial-operated and we expect to complete our conversion program from manual to dial in the 1976-77 year. That program is going well.

Direct Distance Dialing, DDD, was introduced in Winnipeg in 1965 and now covers 86 percent of all MTS customers. Usage in Manitoba has been extremely popular. Over 99 percent of all dialable long distance calls are dialed by the customer. In 1960, 48 percent, 48.5 percent of Winnipeg residential phones had individual line service. In 1974, 97.2 percent had individual line service and that is improving regularly.

I would like to highlight some of our service improvement programs undertaken outside of the Winnipeg area. One is known as the Island Base Rate area and it is an ongoing program to offer individual line service to the larger communities who presently have available only the multi-party area. During the past year we've been able to extend that service to some 550 customers. Another program is the multi-party upgrading, and this is a program to reduce the number of customers on each multi-party line. There were eight customers per line in the average in 1964, 5.5 per line at the end of December, 1974, and the objective set for our present program, four customers per multi-party line.

Another program is the construction limit, the distance beyond existing facilities under which the customer must pay special premium charges for connection. The limit was increased from 1 1/4 to 2 miles about a year ago, and that requirement has been removed

(MR. HOLLAND cont'd) . . . . entirely, always provided that we have sufficient capital to provide the service, when it's within an approved exchange boundary. We are attempting as well under the Resort Area Service program to provide a reliable public pay station service in the resort areas. The usage is increasing enormously in that area.

At the present time there are about 200 exchanges in southern Manitoba, 111 of which are included in some form of extended area service, or EAS complex. That means that each of these complexes offers unlimited, toll-free calling between all exchanges within the complex. We have been looking at this matter in great detail in the last two or three years, attempting to develop policies that MTS could financially support and which would be equitable throughout the entire province. We are now proposing a meaningful exchange boundaries program which has rapidly become MEB. Under that program many of the existing exchanges in the south would be amalgamated into more meaningful exchange complexes. We think that this approach will recognize changing patterns in the areas outside Winnipeg and relates to the 1970 Patterns of Traffic in Communication. The intent of that is to insure that customers in each new meaningful exchange would have flat rate access by telephone to a reasonable number of health, educational, social and business facilities, now considered to be extremely important in day-to-day community life. The planning suggests that we should work towards ultimately 60 such complexes.

We should point out that there are extensive capital expenditures involved in such a program, estimated at present at \$13 million plus. There is also the factor that MTS loses toll revenue as these changes occur. That represents - if the program were totally implemented - about \$3 million per year. So that is an indication of our present planning. It will be done as the financial resources of the System permit, and we expect probably a seven-year implementation program. I would like to underline that we will be having extensive public meetings and consultation with local officials and local residents in working out the precise details of the program.

I would like to comment briefly on the Northern Manitoba program, which is briefly a \$16 million program. It will affect about 20,000 residents of the North. It will be implemented over a period of five to seven years. In addition to the AM radio network, which has been in effect since 1948, we have been working towards reliable public pay station service, reliable toll services, and that is now available in a number of communities. I mention Anama Bay, Cold Lake, Easterville, South Indian Lake, Little Black River, Pukatawagan, Pikwitonei, Ponton, Sherridon, Wekusko, Moose Lake, Pelican Rapids.

Cormorant and Wanless now have reliable toll and manual exchange service in their communities, and toll service with local dial exchange service is provided in a number of communities at this time. This provides 24-hour reliable dial telephone service. This includes Churchill, Clearwater Lake, Cranberry Portage, Cross Lake, Flin Flon, Fort Churchill, Gillam, Grand Rapids, Ilford, Leaf Rapids, Lynn Lake, Nelson House, Snow Lake, The Pas, Thicket Portage, Thompson and Wabowden.

By October 1971 every northern Manitoba community with more than 50 population has had access to the long distance network -- (Interjection) -- Since 1971 there has been access to the network. So this program is proceeding on schedule. That will include, through 1977, virtual completion of our northern program.

In co-operation with the CBC - and may I say that co-operation has been absolutely outstanding at the working level - network television service is now available in Thompson, Flin Flon, The Pas, Snow Lake, Gillam, Grand Rapids, Wabowden, Lynn Lake, Leaf Rapids, South Indian Lake, Nelson House, Cross Lake, Norway House, Sherridon, Thicket Portage, Cormorant, Pikwitonei, Moose Lake and Easterville. We expect that Ilford, Split Lake and York Landing, if they haven't already been turned on, will be within days. The CBC is presently using Teleset Canada satellite facilities to provide network TV to Churchill. All of this program has been planned in conjunction with our northern microwave service and the CBC's accelerated coverage plan. The expectation is that 99.9 percent of Manitoba's population will have received at least one television station by 1977.

At the moment, the microwave extension is under way to Jackhead, Berens River, Bloodvein. That in turn will cover Princess Harbour, Pine Dock, Loon Straits, Matheson Island, and later Little Grand Rapids. Work is under way at the moment for a microwave from Radisson or Gillam to Churchill, and from that there will be a radio system southward reaching Oxford House, God's Lake Narrows, and Island Lake area, and the CBC has indicated that

(MR. HOLLAND cont'd) . . . . they will be taking advantage of that network.

On the CTV, negotiations were concluded in December of 1972 to bring the CKY-CTV service to the Brandon area. We have now received a firm order from CKY to extend the regional network from Brandon to Baldy Mountain in 1975 covering the Dauphin-Swan River areas, and on to The Pas, Flin Flon, Snow Lake and Thompson in 1976. At the present time, about 86 percent of Manitobans receive the CKY second channel coverage. When this extension is completed, 95.7 will receive the CKY coverage. Also, the French CBC television service is being extended through the North.

Speaking very briefly on the year just ended, we have completed a construction program of \$53 million. We are estimating a telephone station gain of something like 31,000 telephones. That is a decrease of about 1,600 from the record year that you are now looking at. During the year, our preliminary figures indicate that total revenue increased by about 14 percent, our total expenses by about 20 percent, and that our net income for the year will be somewhat less than one million dollars.

Our Brandon 18th Street Building is now complete and the installation of electronic switching equipment is ongoing there. That office will cater for the growth and provide DDD facilities to 70 communities in western Manitoba in late 1975. Although prices for most commodities and services in Manitoba have been steadily increasing in the past years, the cost of telephone service has remained stable. Only once in the past 54 years have basic telephone rates been increased despite the vast improvements made in quality and diversity of telephone services throughout the province. At the present time business individual line service rates are considerably lower in Manitoba than in comparable exchanges throughout Canada. The differences range from 74 to 179 percent higher east of Manitoba, and 25 to 100 percent higher west. Residential individual line service east of Manitoba costs range from 41 to 114 percent higher, and west anywhere from 5 to 52 percent.

In conclusion, Mr. Chairman, I hope that the staff of MTS continues to merit the support of this Committee in their efforts to provide an effective service at reasonable cost.

MR. CHAIRMAN: Thank you, Mr. Holland. Are there any questions to the Chairman? Would you come forward, Mr. Watt. Take a mike - right here is one. Mr. Watt.

MR. WATT: Well, first I'd like to congratulate Mr. Holland on his appointment as Chairman of the Manitoba Telephone System, and I appreciate his remarks in regard to those that have retired before him.

I'd like to ask Mr. Holland in areas where we were on four-digit system and I want to give you a specific example of the Sinclair, Pipestone, Reston areas where we've been on four-digit for, well off the top of my head I'd say about twelve to fourteen years, and we are now on seven-digit, and we have been for about six months but we still can't dial those seven digits. We have to dial Souris and we have this confusion with some of the telephone operators in Winnipeg, to find out how to dial through. They must dial Souris and then the Souris dials then directly to the areas that I'm referring to. Why has the seven-digit system come into being and yet we can't use it? When are we going to be able to use it? I can't dial from Winnipeg to my home or to any place in that area directly.

MR. HOLLAND: Looking anxiously over at my experts here, I assume that the seven digits are to prepare you for complete DDD and that the Brandon switching center on 18th Street in which the extensive equipment - and may I say it's millions of dollars - is now being installed will ultimately be expanded to include your area, Mr. Watt, at which point you will have standard DDD telephoning. That is the prime purpose of it.

MR. WATT: But you can't tell me when.

MR. HOLLAND: 1975. -- (Interjection) -- That's this year. The building is completed, the equipment is - the installation is well under way and there is a progression of communities that will gradually be worked into the new center.

MR. WATT: But what I'm curious to know, Mr. Holland, is why the seven-digit system was instituted six months before, at least six months back, before it could be used.

MR. HOLLAND: Well the seven-digit numbering is part of an international coding pattern so we have to get the telephones switched over there, we have to worry about directories and getting your number fully published and available so that it is generally worked out six to eight months in advance, in anticipation of these cut overs.

MR. WATT: Well I'm not trying to get you confused, Mr. Holland, on this; I just want some clarification.

MR. HOLLAND: That is the plan generally.

MR. CHAIRMAN: Mr. Henderson.

MR. HENDERSON: Mr. Holland, I was wondering, in some rural areas where you're putting in this direct distance dialing - I'm thinking of Snowflake in particular now, a small little area down by the border - why isn't an area which is as small as that divided so as part of it say would go to Manitou and part of it to Crystal City, rather than setting up a separate little unit down there with such a limited number on the exchange.

MR. HOLLAND: Mr. Henderson, that is part of the problem on exchange boundaries that I mentioned we had spent a great deal of time worrying about. These exchanges grew up, and oddly enough there are some 220 and I think there are about that number of municipalities in Manitoba, they grew up under the municipally-owned telephone installations or under MTS early day design and at that point, many many years ago, they matched the community. But times are changing all over the province and we are looking at the redefinition of the exchange boundaries and I'm not sure what would happen to the Snowflake area but that is the sort of thing we would be looking at.

MR. HENDERSON: Well I realize we used to have a different way of communication in smaller areas but you're just going to put this in this summer at Snowflake, and I mean we should be building, should we not thinking of the future and trying to amalgamate them in, in a larger area, because already in our southern part of Manitoba there's many of the towns that are wanting this larger area extension service. Here's Snowflake right down at the border and no place to go in the south and Crystal City or Pilot Mound could take them and so could Manitou. In fact I know at one time that they were petitioning you people so as the people on the one side could go to Manitou if there was a change made.

MR. HOLLAND: I think there are two phases to the problem. The first thing that we're doing is giving you completely modern telephone service in the form of DDD, complete DDD. The second problem is defining the exchange or the free calling area and it's the second one that we're really just getting our teeth into at this stage and doing some planning on.

MR. HENDERSON: I just feel that you're getting your teeth into it though. You're going and you're building this just at this year, you know, and it is such a small area, I just can't see it. Now a question I am wondering about is if you do go into the larger area services what becomes of this building? Is it a service building then or is there a further change? What becomes of the little thing you put up now?

MR. HOLLAND: Well I hope it's a little non-permanent thing that's up there at the moment because the building would have been planned with this longer plan in mind and . . .

MR. HENDERSON: . . . got some of these little wee buildings that are not very permanent.

MR. HOLLAND: Well I don't know what that little weeny building is, in particular what it does. It may just be electrical storage or . . . Glover do you want to comment on that?

MR. ANDERSON: Yes.

MR. CHAIRMAN: Mr. Anderson.

MR. ANDERSON: Mr. Chairman, to answer the question. The building at Clearwater - is that the . . . ?

MR. HENDERSON: Snowflake.

MR. ANDERSON: Well the building is a portable building and it can be towed away to another location if necessary. But wherever the community of interest is for Snowflake - I think it is Manitou and La Riviere and other communities - to provide this type of service it's most economical for us just to put some circuits between these two communities and leave the building and the equipment where it is because it acts as a centering point for the subscribers like a concentrator. They come in to that point and they can go anywhere.

MR. HENDERSON: If you go to the Extended Area Services could they be put in at Manitou then and just be connected and use this little house as a . . .

MR. ANDERSON: Yes we could keep the house there or future economics might decide we reconfigure the boundary of the outside plant, the cable, reconfigure that. But generally speaking we'll leave the offices and just put circuits to the other offices. That's most economical.

MR. HENDERSON: Well I'm glad to hear that that can be brought in later on because I know down in the southern part of Manitoba we're working for larger areas and we've had

(MR. HENDERSON cont'd) . . . . several meetings on it and that's one of the things we're hoping to see happen.

I was just wondering, when you put these systems in how come some towns like Morden, shall we say, only dial the four digits and in Manitou you dial the seven? Now I maybe should know that but I don't and I'd like to know. It's a little bit confusing to some people. In Manitou we always dial the seven digits and in Morden they just dial the four when they want places in Morden.

MR. HOLLAND: I assume that would be the same explanation as the Western region, that it's an interim measure. The seven-digit numbers have been assigned pending full DDD access to the network.

MR. HENDERSON: I have another question that's a little bit strange too. When you have these pay stations throughout the different neighbourhoods there seems to be different instructions on a lot of different stations. Sometimes you put in the money first and sometimes you wait till you're told. Why aren't pay stations standardized?

MR. HOLLAND: May I first of all assure Mr. Henderson that his questions are typical and he should have no hesitancy. Gordon Backhouse, can you tell us why this would be?

MR. BACKHOUSE: Basically we have two types of pay stations in Manitoba. We call them post-pay and prepay and in the larger centres we use what's called a prepay pay station where you put your money in before you dial, and in the smaller areas we use a post-pay method of operation where you establish the connection and then put the money in. The reason for the difference is a reason of economics in providing the equipment. The post-pay type does not have the capability of refunding money and the equipment configuration needed to provide this service is substantially more simplified and less costly.

MR. : It's the system you make the most money off.

MR. HENDERSON: I'll accept that explanation although I kind of wish it were standardized because I know of people who have come out to rural areas many times and they have a problem.

I hope in the future that you speed up this working towards larger area services because I feel especially in the southern part of the province that the people are prepared to pay the extra. I know the problems that you have in connection with it. You'd have to raise the fee somewhat but I know they're prepared to pay it if they could get it because the meetings that I've had with people, they say well if it does go up a dollar a month it isn't bad you know, we'd save this in a couple of calls. And then the others that don't use it for business say, well we could have a couple of luxury calls to our neighbouring town if we were in a larger area. So I'd hope you'd move towards that as soon as you could.

MR. CHAIRMAN: Mr. Blake.

MR. BLAKE: Thank you, Mr. Chairman. My questions are much along the lines of Mr. Henderson's to Mr. Holland. It's the region, the enlarged regions that's causing some concern in our area. We have situations where people can dial from the Cardale-Oak River country straight north up into Riding Mountain National Park where there's no one there really, other than one or two phones, but they can't phone their neighbour across the road on either side. There must be other areas similar to that particular one but that's the one that I get most of the complaints from and it would seem to be a good example of what can happen. There's one chap - maybe all his neighbours - he'll be on five different exchanges to get to his neighbours and yet he can phone considerable distance north and south, it doesn't really take him anywhere; it's not his trading area. Now I think last year we were given to understand that there were priorities put on the various phases of changing these areas and I think 1976 or 1977 was, I think, the time given. I just wondered if there'd been any change in speeding that particular phase of enlarging the calling areas.

MR. HOLLAND: Mr. Chairman, first of all we do get a good many representations from communities on this score. We do wish to look at it as a matter of urgency. Our first capital provisions appear in 1976, in our '76 planning, and that is not changed from last year. I wouldn't like to give the impression that nothing is happening in this area because where we do see obvious anomalies and extremely small exchanges and so on we do build those into our program and we're gradually repairing them. I think there's one example very close to the area that you're discussing about that's just been added to - Erickson. It appeared practical and sensible to do that so we proceeded. And through the redefinition of exchange boundaries in minor ways we're gradually working towards a longer and more common sense approach. Happily it's just a problem of economics.

MR. BLAKE: Another question. You stated that something like 60 stations would be the ideal when your DDD system is completed and I realize small stations or offices such as the one at Rapid City for example will likely disappear. I am wondering, in some of the areas where they employ a considerably greater number of people than say that one would, how many of these will disappear; and have you had any strong representations from any of the areas opposed to the closing of their office where they might employ 15 or 20 girls maybe.

MR. HOLLAND: The proposal is for 60 complexes in the southern part of the province as opposed to the 200-plus that we have at the moment. The answer is yes. We do receive concerns on that score. Generally speaking when we explain our personnel policies and the consideration that we give to our staff in those areas, and when we explain the economics of the thing the communities understand this very well.

MR. BLAKE: I know my home community gets a little jittery when they see the great buildings going in at Brandon because we're only 30 miles away and they're wondering when the axe is going to fall. But I realize these things are - it's necessary to centralize to some degree. And the rate structure, as you've mentioned, hasn't changed for so many years that it has to be a source of some satisfaction I think to the people responsible for MTS over the years because they've maintained a steady growth and an excellent record. I think it's commendable and let's hope it can carry on.

MR. CHAIRMAN: Mr. Bilton.

MR. BILTON: Mr. Chairman. Good morning, Mr. Holland.

MR. HOLLAND: Good morning, sir.

MR. BILTON: I'm going to be a little parochial if I may for just a moment or two. The dial system of course is going in to Benito, Durban and Cowan and so on and at the moment they pay a toll charge in to Swan River which of course is their place of business, the doctors and what-have-you, and their concern now is when they go over to the dial system will they then continue to pay a toll or will that be eliminated in order that they could conform with Minitonas and Bowsman and so on that are not paying tolls. Or is there going to be a change, that all these outlying communities will be paying a toll once you make the changeover?

MR. HOLLAND: My recollection is that that is a matter under intensive study at the moment, the configuration of centers around Swan River.

MR. BILTON: There's just one other thing. Insofar as Cowan is concerned I believe the Department has a petition from them to the effect that they had a feeling that they were going to be put into the Pine River exchange and of course their wish is to go into the Swan River exchange because, again, of the services that Swan River extends to that area. I hope that they will be going into the Swan River exchange in order to accommodate these people. While I'm on this, Mr. Holland, there is some confusion in the minds of the people at the moment. You can appreciate this changeover to dial at these outlying points. I wonder if something couldn't be done from a public relations point of view to advise the people exactly where they stand or exactly what's going to happen when this turnover takes place.

MR. HOLLAND: Mr. Bilton, as I say, this matter is under intensive discussion; we have representations from communities in that area. I can give you the undertaking that before decisions are made the communities will be consulted thoroughly. As far as the educational programs go there will be special presentations and nights and literature and so on explaining the new system.

MR. BILTON: Well I understand it's to be done this year.

MR. HOLLAND: Yes.

MR. BILTON: And if you would give serious consideration to giving the people some idea as to what's going to happen. Of course, the final decision they'll have to wait for, but in the meantime there is this concern with the people expense-wise.

There is just one other thing I want to say, that this has been seven years' badgering as far as I'm concerned in getting these communities onto the dial system and I'm very very happy about it and I'm sure it will be well worthwhile.

This matter of the CTV. Do we finally get it this year or is it going to be two years from now? Is it being arranged for this year? Because we're certainly fed up with the CBC and we'd like another station for a bit of a change.

MR. HOLLAND: The equipment is in our possession. The engineering and the installation is proceeding well, and Dauphin and Swan River come in - the latest date is early 1976. -- (Interjection) -- August, 1975, I'm sorry. It's the other northern . . .

MR. BILTON: Well, here again, Mr. Holland, there's certain structural changes with individual set owners and they're in the process of making this changeover to accommodate this oncoming station, so I hope that it's going to be this year.

MR. HOLLAND: Glover is our broadcast man with CTV. Do you have any further information than mid-1975?

MR. GLOVER ANDERSON: Mr. Chairman, the Telephone System has installed the microwave equipment to Baldy Mountain. We have a picture being delivered there from Winnipeg; and we're waiting for the CTV people to put their tower up on Baldy Mountain and we have a date, service date of August 1975 for them. So we're ready to go. Thank you.

MR. BILTON: Well I hope to God you keep right after them and see that they do it in 1975.

MR. CHAIRMAN: Mr. Spivak.

MR. SPIVAK: I'd like to talk with you on two subjects. One is rates and the other is wire tapping, but I'll come to rates first. I wonder if you can indicate whether there will be any rate increase in this fiscal year.

MR. HOLLAND: Fiscal year 1975-76?

MR. SPIVAK: Yes.

MR. HOLLAND: The process, Mr. Chairman, here is that our board must make application for rate adjustments and forward those to the Public Utilities Board which decides whether there will in fact be a change. I have attempted, in our 1973-74 Annual Report and in my brief comments on the year just concluded, to display our financial position. Certainly MTS is experiencing all of the labour costs and equipment costs and other economic conditions that other industries are. At this stage we're just a few days past the year-end. We're waiting tomorrow to hear the result of the vote by our craft union, which is a very expensive contract. We are keeping a very close eye on it but I must say my board has not authorized an application at this stage to the board.

MR. SPIVAK: Well I want to, if I may, just follow procedurally what would happen here and then draw some comparisons between the other utility of Hydro with respect to its rates. As I understand it, what you're saying is that the board would make a determination that a rate increase is needed. Having said that, whatever preparatory work would be done the application would be made for the Public Utilities Board to set the rate rather than the board setting the rate and then saying we want approval for this rate by the Public Utilities Board. Is that correct?

MR. HOLLAND: The board would file an application for a revised rate structure with extensive supporting documentation.

MR. SPIVAK: The rate itself being determined in advance by the board that it is desirable, or leaving it - and by that I mean the Board of the Telephones, not the Public Utilities Board - or leaving it to the Public Utilities Board to determine what rate should be charged based on the information supplied.

MR. HOLLAND: It is the responsibility of the Public Utilities Board to fix the actual rate structure, based on their exhaustive research and study and public hearings or whatever means they choose.

MR. SPIVAK: Well I just don't want to get involved - I know Mr. Beatty is here - with respect to the legal position, but looking at the Act, the Act says the rates for telephone services supplied by the Commission shall be approved by the Public Utilities Board under the Public Utilities Board Act, and what I'm wanting to understand is, you know, the approval is one thing, the actual setting is another. Now it may be that the practice has been the setting by the Public Utilities Board, but it's again to sort of clarify an understanding of how this utility operates as opposed to Hydro, and again I just want to understand. Under the basis of the wording of the Act it would be approval as opposed to the actual setting, but is it the position of the board and has it been the past practice for the board to say to the Public Utilities Board, "You set it."

MR. HOLLAND: Mr. Chairman, 39(1) says that rates for telephone service supplied by the Commission shall be approved by the board. 39(2) says on any application for an increase or decrease in rates, or for any variation of such rates, the Public Utilities Board on such application shall, in fixing a rate or rates. So that I defer to the legal specialists.

MR. SPIVAK: I really would like to understand specifically the position of the board on this and I have my reasons for asking this. It's important to understand. Based on the wording



(MR. SPIVAK cont'd) . . . . of the Act it would appear that all the Public Utilities Board will be doing would be approving a rate suggested by the Telephone Board.

MR. HOLLAND: Mr. Chairman, we haven't had an application since 1955 so we're not thoroughly . . . in this, but based on the activities of such boards in other jurisdictions, they have certainly varied the rates proposed by the utility. Mr. Beatty, would you like to comment on that?

MR. BEATTY: I'm not sure I understood the question, Mr. Spivak.

MR. SPIVAK: Well let me put the question this way. My understanding of the Act would suggest that the Manitoba Telephone Board would apply to the Public Utilities Board for approval of a variation in rates. The rate would be requested by the board and obviously certain information, according to 39(2), would have to be supplied to the Public Utilities Board for a decision to be made by the board either granting the rate or altering it, amending it, in whatever form it made a decision to so do. Now I want to understand if that is the correct procedure.

MR. BEATTY: Undoubtedly the procedure would be to apply for proposed set of rates, but the Public Utility Board has, under subsection (2), the right to deny the application, to approve the application, or to vary the application, depending on its view of the material supplied to the board at the hearing.

MR. SPIVAK: My point being - and the reason I wanted the question answered, Mr. Holland, is that in effect the Telephone Board must make a decision as to what rate changes they want, recognizing the Public Utilities Board has a right to vary them, so that in effect there will be some request by the board - by your board - based on whatever considerations justify that rate increase being asked for.

MR. BEATTY: That has been my understanding, Mr. Chairman. Yes.

MR. SPIVAK: Now I wonder if I can leave that and go to the . . . with respect to wire tapping, and I want to indicate immediately that I am here questioning this only for the purpose of obtaining information and not because I'm privy to any particular information or particular concern that would give rise to . . . This question was asked a couple of years ago and Mr. Mills, I think, actually asked Mr. Beatty for information and the answer was given at the time.

MR. HOLLAND: As his successor will do.

MR. SPIVAK: But I want to understand correctly the procedures with respect to the Telephone System with respect to the whole issue of wire tapping, and I don't want to go through the particular section in which wire tapping is prohibited - that's the section in the Act which deals with it - but I want to understand under what circumstances the telephone facilities would be made available for police officers to conduct wire tapping proceedings that would be within their competence, within their ability and within the law, for them to be able to undertake that, and how and in what way the facilities of the Telephone System would be allowed to be made available to them.

MR. HOLLAND: Mr. Beatty.

MR. BEATTY: Mr. Chairman, to Mr. Spivak's question. As Mr. Spivak is probably aware, the Criminal Code of Canada was amended in the fall of 1973, which led to - it was called then, I believe, The Privacy Act in the House of Commons - and as a result of which, law enforcement agencies may apply to the courts for an order to use wire tapping, and the court makes an order, and in the order as presently being made by the courts today they authorize and in fact order the Manitoba Telephone System or whatever communication company it is, to assist in accordance with the amendments to the Criminal Code. The Manitoba Telephone System complies with the words of the order.

MR. SPIVAK: All right. Can I ask in the past year whether such orders have been given to the Manitoba Telephone System?

MR. BEATTY: The answer to that is yes.

MR. SPIVAK: And may I ask whether . . . We're talking in terms of police officers or an order of the court given to a police force. Is that correct?

MR. BEATTY: The order of the court is made after application, I presume in most cases by the Attorney-General in the Province of Manitoba or by the Department of Justice in the Federal Government, on behalf of the various law enforcement agencies.

MR. SPIVAK: So the Attorney-General's office or the Department of Justice applying on behalf of the law officers rather than the law officers themselves applying.

MR. BEATTY: That is correct. That's been the practice in our experience to date.

MR. SPIVAK: Have there been any occasions in this past year in which - or as a matter of fact within the last couple of years, and if that is the case I will then ask for a specific, trying to pinpoint the year - have there been any other cases in recent times, in the last couple of years, in which the Telephone System have in fact become aware that wire tapping was taking place illegally?

MR. BEATTY: In the last year?

MR. SPIVAK: Last couple of years.

MR. BEATTY: I would have to say to my personal knowledge no, but I'm afraid I have to qualify it in that way, to my personal knowledge.

MR. SPIVAK: In the normal course of affairs you would be aware of it as the . . .

MR. BEATTY: In the normal course of affairs that's correct, I'm aware.

MR. SPIVAK: If wire tapping is to take place, the instructions that would be given by the court to the Manitoba Telephone System, would that mean that the Telephone System would then have to make its full facilities available or - and I don't understand exactly how wire tapping takes place - or would it be ordered to a specific building, a specific area, a specific portion of the Manitoba Telephone System operation?

MR. BEATTY: In order to avoid a great deal of involvement by the System, there are certain dedicated lines available to the law enforcement agencies at this time and used for that purpose only. These lines, after receipt of the order, are hooked up to the line which the order authorizes such wire tapping, so that it's a connection of two lines.

MR. SPIVAK: So in effect there is a facility available now which would be the facility that would be used if such an order or instructions were given. Is that right?

MR. BEATTY: That is correct.

MR. SPIVAK: There have been other situations with respect to nuisance calls, and they're referred to in the Act itself, where in effect some kind of facility or monitoring could take place. Because of the nuisance call or the complaint, that would not have to go through the normal kind of procedures that you're referring to?

MR. BEATTY: Nuisance calls we do not monitor. We endeavour to trace the source of the calls by mechanical means and I'm technically incompetent to explain those means, but I can assure you that there is no monitoring takes place to locate the source of nuisance or annoyance calls.

MR. SPIVAK: Have there been any occasions in which the Telephone System has complained to the Attorney-General's office or to the Department of Justice with respect to surveillance that has been undertaken by some police officers in connection with an instruction that had been given?

MR. BEATTY: Not to my knowledge during my time as general counsel.

MR. CHAIRMAN: Mr. Henderson.

MR. HENDERSON: I was just noticing that party lines are going to be - the objective is to bring them down to four on a party line. The main complaint we really hear about the telephone in the rural areas is that there's people on the line too long. You know, there's just people visit there sometimes for an hour. Has there ever been any consideration given to try and shorten those calls in the way of a buzzer or something like that, or some automatic device that might warn them or something?

MR. HOLLAND: Mr. Chairman, regularly if there are complaints we write letters to all parties on that particular line, or we will visit them, explain the difficulties, that they're inconveniencing their fellow neighbours, and do everything we can; but it still remains a problem of course.

MR. HENDERSON: Certainly it's a problem, that's for sure, and it's not very easy to deal with it. Now since they have switched over to the dial in the rural areas and you have dials all over Winnipeg, how many operators are there in the city still, like to accommodate person to person calls or station to station or to give information - you know, total operators?

MR. HOLLAND: In Winnipeg or . . . ?

MR. HENDERSON: Well, I guess probably most all operators are in Winnipeg now except these other small towns so the bulk of them would be in Winnipeg. I mean, how many people would you have in the switchboard business in Winnipeg dealing with people which would call, we'll say, and ask for a certain place and a certain person or something rather than dial directly?

MR. HOLLAND: My recollection is that we have approaching 1,000 traffic operators

(MR. HOLLAND cont'd) . . . . in total, and that like something like 600 would be in Winnipeg. -- (Interjection) -- Four hundred. So that there is a predominance of operators outside of Winnipeg to this point.

MR. HENDERSON: You said 600 in the rural?

MR. HOLLAND: And the North, yes.

MR. HENDERSON: That's quite a few.

MR. HOLLAND: That includes, of course, directory information and all the different functions that the operators do.

MR. HENDERSON: That's all I wanted. Thank you.

MR. CHAIRMAN: Mr. Blake.

MR. BLAKE: Thank you, Mr. Chairman. I couldn't help but be amused at the question of my colleague from Manitou on people spending too much time on party lines. I can recommend a couple of chaps to him that will get somebody off the line in a hell of a hurry, if that's any help, George. They find their own cures in my area anyway.

I just wanted to go back to the 60 exchange centers, or 60 locations that we mentioned earlier, Mr. Chairman, and I wondered, have those locations been decided upon and is that information available?

MR. HOLLAND: Mr. Chairman, they have been worked out for purposes of our feasibility study and in order to cost the implications of it, and they have even been worked out geographically. But it is MTS practice to take each area of the province and consult very closely with local officials, with the understanding that these are still subject to the consultation process and prioritizing. Certainly we could review the plans for any area.

MR. BLAKE: Very good. Also, in some areas they have instituted a fee for service in looking up numbers for those that will not take time to go to the book. Is this being considered by MTS?

MR. HOLLAND: Yes, we've followed the experience in other jurisdictions, and the introduction of a charge, which is typically 25 cents per call, has reduced the usage phenomenally, like 60 percent of the volume. That charge, of course, has been imposed elsewhere with quite liberal exceptions. That is, if the number isn't in the book there is no charge, and if the person is handicapped, elderly and so on, there are very liberal exemptions from it. Again, our board has made no specific decision on this matter. We have been surveying it very closely and certainly we're impressed by the phenomenal costs of providing the service. At the moment, I believe it's about one million dollars and by 1980 it could be well double that if current patterns persist. So we are concerned about it. I think the major question that we're wrestling with is whether the relatively small percentage that use or abuse the service should pay for it rather than all MTS subscribers. This really is our concern. From MTS's point of view the funds have to be raised in some fashion.

MR. BLAKE: Thank you, Mr. Holland.

MR. CHAIRMAN: Mr. Dillen.

MR. DILLEN: I want to follow up on Mr. Spivak's line of questioning with regard to wire tapping, and I'm just, you know, I'm kind of curious as to what the procedure is for a law enforcement agency or whatever to make application to the Telephone System for the use of the equipment. What is the . . . I understand that an application has to be made to the courts. What I wasn't clear on is, who makes the application?

MR. CHAIRMAN: Mr. Beatty.

MR. BEATTY: The applications with which Manitoba Telephone System is familiar have been made either by the Attorney-General of Manitoba on behalf of law enforcement agencies here, or by the Department of Justice of the Federal Government on behalf of other law enforcement agencies located in Manitoba.

MR. DILLEN: I have a couple of problems and I think they relate to some kind of a distorted frequency, if that's the term that's used, where I have reports of people picking up their telephones at home and getting . . . oh, in one case that I'm familiar with is that from Thompson we get conversations between Tantalum Mine and somebody else, you know, and I'm wondering how this occurs and what is the problem that gives rise to conversations being heard on a telephone that's so far removed from that area.

MR. HOLLAND: Mr. Anderson . . .

MR. CHAIRMAN: Mr. Anderson, would you care to comment on that?

MR. HOLLAND: What is the location of Tantalum Mines by the way?

MR. CHAIRMAN: It's in the Bissett, in the Lac du Bonnet area.

MR. HOLLAND: East of the lake.

MR. S.G. ANDERSON: Mr. Chairman, I'm not sure whether I can answer Mr. Dillen's question or not. Those communities are a long way apart. I think Tantalum Mines is served by our radio system and the only way you could get interference is two radio systems interacting, as Thompson is served by another radio system, but I would consider that extremely doubtful due to the remoteness of the two communities. The only other place it can occur would be in Thompson itself, but that would have to be between two subscribers in the area served off the same exchange in Thompson. So it would be a cross in the office itself or . . . So that's the only two ways it could happen, but I'm quite surprised at Tantalum subscribers being heard in Thompson.

MR. DILLEN: One other thing that I have come across in the last year is that somehow there is, if you tune a radio in to the right frequency . . . Would you just like to remain there for a few minutes until I get a few things straightened out in my mind? If a radio is tuned to the right frequency, and I don't know what it is, as you go across the bank, you can pick up telephone conversations with a radio. Am I right in assuming that?

MR. S.G. ANDERSON: Mr. Chairman, that's right, if the radio receiver has been tuned to frequencies that we are on, which are up in-between television channels. It is possible if it's high enough, or it's possible in the high frequency network in the North.

MR. DILLEN: So in other words, then, if a person wanted to listen to telephone conversations, they could do it with a radio and not necessarily have to make application to the courts for a right to listen, and yet that is not defined in the Act. It makes reference to listening devices attached to the telephone but it makes no reference to the ability to use a radio for that purpose.

MR. S.G. ANDERSON: Mr. Chairman, that's possible. These aren't radios you can buy off the street. Generally speaking, they'd have to be a special receiver. A mobile service would be an exception.

MR. DILLEN: I think now that you can buy a short wave band radio in just about any radio shop - a multiple band, I'm sorry. And it's with the multiple band that telephone conversations can be intercepted.

MR. S.G. ANDERSON: Mr. Chairman, that only applies in the high frequency band which is used in the North, not in the general band we use for microwave systems. Only in selected locations.

MR. DILLEN: Do you have any recommendations as to how that can be eliminated?

MR. S.G. ANDERSON: At one time, scrambling devices were used which were able to scramble a message so it wouldn't be intelligible to the person listening in, but that's been since done away with. We have never put it in ourselves because HF is a disappearing entity. It's costly.

MR. DILLEN: Are you saying that the ability to intercept will eliminate itself?

MR. ANDERSON: Yes.

MR. CHAIRMAN: Mr. Henderson. Mr. Dillen.

MR. DILLEN: Yes. To the Chairman. I have a couple of questions related to industrial relations or personnel relations, and it has to do with some disparity that existed - I don't know if it still exists and I want to know - between the male and the female employee with regard to pension. Does that disparity continue to exist?

MR. HOLLAND: I think Mr. Beatty can confirm that all such disparities have been removed from our practices and policies.

MR. DILLEN: That's no longer in existence, then?

MR. HOLLAND: Right.

MR. DILLEN: Fine. Thank you.

MR. CHAIRMAN: Mr. Henderson.

MR. HENDERSON: I'm sure this question that I'm going to pose has been asked many times, but I'm just wondering about the size of the print in your books. I know it would take bigger books but I think they have more trouble getting the number than the names. I hear a lot of people saying, you know, the telephone book they can't read.

Another thing I was thinking about in connection with this same problem, like sometimes when you use pay stations where, you know, it's so hard to keep them in good shape anyway, but I mean it's very difficult. Could there maybe be some type of a light put in some place

(MR. HENDERSON cont'd) . . . . like that, where it would magnify a book or something like this, so as the numbers could show larger when you wanted to pick them out? It could be possible that you could have a magnifying glass with a reflector on it.

MR. HOLLAND: My impression on the telephone booth design is that the main concern has been a switch to anti-theft losses. I had not heard before the suggestion that there was not good lighting in the current telephone booths that are being installed. We can look at that. As far as the phone book goes, we have looked at nearly all possibilities in this area and even minimal changes, having three columns instead of four, or more space, the cost today is absolutely phenomenal. The switch-over, the paper, it could well mean that we would have to go to two telephone books which would represent quite an inconvenience. We have looked at those possibilities. I believe there will be an offering starting almost immediately for enlarged numbers for those that want to have the enlarged numbers, at a premium price.

MR. HENDERSON: It will be very popular.

MR. HOLLAND: I think that at this stage I can say we have looked at these possibilities and the costs appear to outweigh the potential advantages.

MR. CHAIRMAN: Mr. Blake.

MR. BLAKE: I'll pass, Mr. Chairman.

MR. CHAIRMAN: Mr. Craik.

MR. CRAIK: Mr. Chairman, to Mr. Holland. We've been trying to assemble some sort of information on the remuneration and indemnities to boards and commissions of the Provincial Government, and we're advised in the Legislature that rather than getting this answered by way of Order for Return, that we should determine this directly either from Order-in-Council or other means. So I wonder if you could assist by advising the Committee what the indemnity is to the directors of the MTS Board.

MR. HOLLAND: Mr. Chairman, that is a decision of the Executive Council which fixes these rates of remuneration. Does my Minister prefer to answer that? It's not a decision of the MTS Board.

MR. CHAIRMAN: Mr. Turnbull.

MR. TURNBULL: The point raised, Mr. Chairman, of course was dealt with in the House. I must confess, apart from the rulings of the House, to a certain personal inhibition to broadcasting everyone's salary. I think if the members want the information, if they're filed in Orders-in-Council, then they are available there.

MR. CRAIK: Well, Mr. Chairman, they aren't . . .

MR. TURNBULL: If it . . .

MR. CHAIRMAN: Mr. Craik, I believe that the question was asked in the House, that the Premier did indicate that that information is available, and I don't recall at any time that you should be directing your questions to the chairmen of the various utilities to give you that specific information you're asking.

MR. CRAIK: Well, no, Mr. Chairman, we're directing our inquiries to all of the 20-odd boards . . .

MR. TURNBULL: Mr. Chairman, if . . .

MR. CHAIRMAN: Order please, Mr. Turnbull. Mr. Craik.

MR. CRAIK: No, we're directing our inquiries now then to . . . As a result of the turndown of the Order-in-Council, we're directing them to all the individual boards and commissions to get the answers directly, because the Orders-in-Council making appointments don't always show the remuneration included. We find that some of the Orders-in-Council are reappointments and that this is not always shown, so in order to expedite the thing we're going directly to all those names we've listed to ask if they will provide it. Now there is variation in all of them; some of them are on a per diem basis, others are on an annual basis. I don't think there's anything - we're not asking for salaries of people; we're not asking for MTS to give salaries, simply that boards and commissions are traditionally something that are public knowledge and . . .

MR. CHAIRMAN: Mr. Turnbull.

MR. TURNBULL: The O/C's for the Telephone System, if I recall accurately, always contained the remuneration of the members, or of the people appointed as members of the Telephone Board of Commissioners.

MR. CHAIRMAN: Mr. Blake, on a point of order.

MR. BLAKE: I asked the question of the Chairman of the Manitoba Liquor Control

(MR. BLAKE cont'd) . . . . Board and he provided the information on the question, so I don't think it's . . .

MR. TURNBULL: Well, if you wish, Mr. Chairman, I can give the information to the members. The annual remuneration of a member of the Telephone System Board other than executive appointees is \$3,000. -- (Interjection) -- No, other than executive members. I mean by that, the members who are what you could call lay members of the board. They're appointments and not executives of the Telephone System. And these could be, as you can see from the first page, Mr. Eliason, Mr. Fines, Mr. Pimlott and Mr. Walding. Mr. Eliason has been replaced recently by Mr. Art Hoffman.

MR. CRAIK: And are there expense allowances in addition to that?

MR. TURNBULL: There are, I believe, some out-of-pocket expenses when the board member attends a function that has to do with the Telephone System. These functions would be, for example, Telephone Nights in the country.

MR. CRAIK: If they're out of . . .

MR. TURNBULL: Well if his out-of-pocket expense is involved. I think it's a good idea, frankly, for these board members to attend in Northern communities.

MR. CRAIK: How many meetings a year does the Telephone System Board normally hold?

MR. TURNBULL: It's around 15, usually once a month, but there are special meetings for a variety of purposes.

MR. HOLLAND: I believe it was 17 in 1974 calendar year, Mr. Turnbull.

MR. CRAIK: Okay, thank you.

MR. CHAIRMAN: Mr. McKellar.

MR. McKELLAR: Mr. Chairman, Mr. Holland, I was just a little late getting here for the start of the meeting, but I just wondered when the building in Brandon would be ready for direct dialing, so that we can participate in that area . . . Wawanesa.

MR. HOLLAND: The building in Brandon, Mr. Chairman, is essentially completed. The equipment is now being installed and I believe the cutovers start later in 1975, late summer of 1975, the communities gradually will be cut over to Brandon.

MR. McKELLAR: And that will involve all of southwestern Manitoba, like the Brandon building will be used for . . . ?

MR. HOLLAND: Some 60 communities.

MR. McKELLAR: Yes, I see, and the operators like presently at Carman and Boissevain will be no longer needed, eh? The operators that are presently there now, their services will be no longer required, eh?

MR. HOLLAND: I believe those offices will be automated. Mr. Anderson says no.

MR. CHAIRMAN: Mr. Anderson, would you care to . . . ?

MR. ANDERSON: Mr. Chairman, the office at Boissevain and the office at Minnedosa will stay; the office at Killarney will be closed because of its size and I think the office at Melita will be closed because of its size. The rest will be given DDD and automated.

MR. McKELLAR: Well another question, Mr. Chairman, I would like to ask is regarding Souris. When do we expect Glenboro and Souris to go dial? Also Oak Lake. Maybe if I could get the answer for those.

MR. HOLLAND: May we check our notes on that one? -- (Interjection) --

MR. McKELLAR: No, that's only the three that are involved in my area.

MR. CHAIRMAN: Mr. Anderson.

MR. S.G. ANDERSON: Mr. Chairman, the office at Souris will be converted to dial April, 1976; the office at Glenboro will be converted to dial in October, 1976.

MR. McKELLAR: And Oak Lake?

MR. S.G. ANDERSON: Oak Lake will be converted to dial in November, 1976.

MR. McKELLAR: I was just wondering, because Oak Lake is a very small district is that going to be consolidated with Brandon or is your policy going to be regionalize the rates or regionalize the districts? -- (Interjection) -- I know I should have been here earlier.

MR. CHAIRMAN: I believe . . .

MR. McKELLAR: Well I've got one lady in my area - I've got a block of Oak Lake people in my area that want to get into either Souris or Brandon or somewhere. They live within the Souris area, eight miles or nine miles from Souris and they're sure anxious to get into one or the other. But here they've got to be in Oak Lake, a community which they don't

(MR. McKELLAR cont'd) . . . . hardly ever go to. I'm just wondering are you going to reconstruct the boundaries of the various districts or what?

MR. HOLLAND: Very briefly, Mr. Chairman, the offering of DDD service will not alter the exchange boundaries. We are looking at that at the moment and if Mr. McKellar could give us the circumstances we'll look into it and see what plans there are for change there.

MR. CHAIRMAN: Okay. Mr. McBryde.

MR. McBRYDE: Mr. Chairman, I just want to double check with the Chairman as to the anticipated date that the second channel, TV channel, will be available to The Pas. Not that we have anything against the one we have now but people are looking forward to a second channel.

MR. HOLLAND: The date is 1976, February, according to all present planning.

MR. McBRYDE: And is Flin Flon about that same time as well?

MR. HOLLAND: Same date.

MR. CHAIRMAN: Mr. Osland.

MR. OSLAND: Mr. Chairman, I'm just wondering if I could ask Mr. Holland when Manitoba will be free of the radio telephones completely. Is there any time scheduled at the moment how they will be phased right out?

MR. HOLLAND: Probably never, Mr. Chairman. The radio-telephone system will be required for bombardiers and camps and temporary structures of that sort. It really is the only feasible offering in that area. But we have mentioned in the permanent communities and those with 50 or more there's a full program apace to install reliable microwave based services. Is there any community in particular that you were thinking about?

MR. OSLAND: Well I've been trying to get into Oxford House for five days now, you know, just to phone and I don't know what would happen if they had an emergency in there. The one good thing now is the airstrips are functioning and of course we've got LambAir going in on these things. But if someone was sick overnight there is no way that there is any communication with the outside world to get a patient air transport in there to get the baby out or anything, until such a time as the LambAir comes in the next day.

MR. HOLLAND: Mr. Anderson, would you like to describe the Oxford House plan? That is south from Radisson when that's completed. The Radisson-Churchill line is well under way. The next step would be to extend that south and the approximate timing . . . ? Oxford, August 1977.

MR. OSLAND: The radio . . . has been out for five days. The operator can't get through.

MR. CHAIRMAN: Mr. McBryde.

MR. McBRYDE: Well all communities over 50, by what date is that anticipated they'll have a more reliable service? The latest estimate.

MR. HOLLAND: The last one is Shamattawa, 1978, if I recall.

MR. CHAIRMAN: Mr. Osland, do you have any further questions? Mr. Blake.

MR. BLAKE: Just a question. You mention Shamattawa and I know some of the other outlying remote areas have telephones. Have you any idea of the cost per telephone in places like say Bloodvein or . . .

MR. HOLLAND: We have a discussion paper on that, Mr. Chairman, that I would like to forward to Mr. Blake. Basically it says that it is such an integrated total plan that it's very difficult to pick Shamattawa out and decide what portion of that microwave network is assignable to Shamattawa. It's really a very integrated system based on the microwave spines. The total plan is some \$16 million and 20,000 people, and rapidly increasing growth in business traffic as well. But there is a discussion paper that I could forward if Mr. Blake would like to look through it.

MR. BLAKE: That's fine, Mr. Chairman, Do we have to adopt the report page by page or would a motion to accept the report be in order?

MR. CHAIRMAN: I will entertain a motion that . . .

MR. BLAKE: I would so move.

MR. CHAIRMAN: It has been moved that the Report of the Manitoba Telephone System for the year 1973-74 be received.

MOTION presented and carried.

MR. CHAIRMAN: Committee rise.