

Good afternoon.

My name is Dave Mouland. I would like to speak to you today about the increasing hydro rates and the effect these increases have on people living in poverty.

When we hear that Manitoba Hydro is applying for another 3.95% rate increase again most of us just roll our eyes and continue on with our lives. For those of us living in poverty it's not that easy.

Our budgets do not go up by 3.95% every year. If I were living on EIA (welfare) as a single person, with no dependants after housing costs (partial), depending on whether the housing is owned by Manitoba Housing or privately-owned, plus all utilities paid by EIA, I would have a budget of \$195.00 per month to top off the rent payment not covered by EIA and pay for food, clothing, transportation and any other expenses that may come up. This works out to about \$3.96 per day for food. Many people spent more than \$3.96 on their morning latte today.

When we are able to find housing and all utilities paid in full by EIA, these rate increases are still passed on directly to the poor in the form of higher food prices. For the working poor, earning around \$15,000 a year, that 10-cent increase on a wilted head of lettuce may not be a back-breaker, but for some one living on \$3.96 a day, it is. In Manitoba, the budget for the food allowance has not increased in 23 years. Yes, let me repeat that, the provincial government is saying that the cost of food has not gone up in 23 years. It is true that other parts of the EIA budget have gone up over that time span, but only for specific items like hydro or rent.

I would also like to talk to you today about a single mom on welfare with a baby under 12 months old who uses Winnipeg Harvest to supplement her food budget. As you may know, I volunteer at Harvest sometimes in the call centre, speaking directly with clients. Winnipeg Harvest depends on donations to supply food to the needy. The only item we buy is baby food and infant formula. I have priced 1 can of formula, which is about enough for a week's supply, at \$

But there are times when we don't have sufficient funds to purchase enough. At times like this, we do not fill any request for formula until every food bank has been without requested formula. Winnipeg Harvest cannot decide which baby gets fed and which one does not. But every mom in this situation now has to make the choice: Pay the hydro bill and starve baby or feed baby and don't pay the hydro bill and risk having hydro cut off because of non-payment. Some choice! If there is an easy answer to this question, let me know, so I can pass it on to my clients.

I would like to end with some general observations about Manitoba Hydro.

It seems to me that there are always some new projects underway -- new dams, power lines, converter stations -- all this so we can sell more power to the USA. I have lived in Manitoba since 1968 and I have never lived through a power outage due to insufficient generating capacity, so these new projects are not really to safeguard our own use.

Each and every major project drives Manitoba Hydro deeper in debt. This debt will be paid for by Manitobans well into the future. There is very little being said about renewal of existing infrastructure. I see trees growing into overhead power lines but they are not trimmed back until a major wind storm blows them down along with the lines. Why are power lines not going underground in older urban areas? Why are street lights on for days at a time? Every time a contract is signed, there are cost

overruns and completion delays. Why can't these contracts be the same as when I sign a contract, which is binding on both sides? Every time hydro rates go up, so do government revenues through the 8% PST. Where does this money go? Is it dedicated to Manitoba Hydro, or does it disappear into general revenue?