

Opinion

Hydro Commission correct in its decision

Halton Hills Hydro Commission should be applauded for its gutsy decision to clamp down on those who refuse to pay their hydro bills.

The decision was a gutsy one because of the current recession. Power is an essential, like water, and most would say leeway should be given to those unable to pay their hydro bills. This rationale is reasonable as long as people don't take advantage of it - a situation that seems to be happening.

In light of the recession the commission introduced earlier this year an interim policy giving people with an outstanding hydro bill a limited amount of power. Under normal circumstances, if a bill goes unpaid after a certain

amount of time then that customer's power is turned off. The interim policy allowed these same customers to receive a limited amount of power for heating and operating a lamp or two.

But Commission General Manager Gerry Trudell reports between 300 and 400 Halton Hills Hydro customers have outstanding bills totalling \$600,000 in April alone. The utility usually has between \$120,000 and \$150,000 in late payment bills per month.

The interim policy was to be in place until May 15 but because of the excessively high April outstanding bill total the commission has decided to revoke its interim policy effective immediately.



Ben's Banter
by
Ben Dummett

Granted, the monthly outstanding bill total will be higher during a recession compared to normal economic times but not \$400,000 more.

All Town people should have in-

terest in the collection of this money because if it isn't collected, the community as a whole will have to pay the bill through higher hydro rates.

Those who feel the Hydro Commission crackdown is too harsh should first ask themselves if they are the same people who argue public agencies should operate more like a business. A lot of people say public agencies get themselves into financial trouble because they don't operate on a basic business principle. These people can now take heart then that the commission is listening to that advice. There is no way a business would accept a total of \$600,000 in outstanding bills.

For those who say the commission, as a public agency, should not base its decision solely on business practices, the utility is also acting responsibly.

Although revoking the interim policy before the May 15 deadline, the commission only took this action upon the arrival of spring and the warmer weather.

Conservation is another positive thing to come out of the commission's crackdown. Knowing the commission will be less lenient, its customers will hopefully use less power, so much so that in better economic times this practice will also be exercised.

The long run outcome will be cheaper hydro rates all around.

Federal NDPs carry weight in unity discussion

OTTAWA - Funny how quickly political influence changes in our wonderful, if often weird, country.

Not so long ago, when the Meech Lake accord was still afloat, no one paid the slightest attention to the New Democratic Party. Oh sure, Prime Minister Brian Mulroney was gushingly appreciative of the support that came from NDP leader Ed Broadbent. Certainly, the NDP's Elijah Harper, as an individual, was a force to be reckoned with in the Manitoba legislature.

In fact, it was Mr. Harper's quiet 'No' that sounded the death knell of the accord.

But the NDP, as a national force, was not a formidable factor in the whole Meech process. That's largely because there wasn't one provincial NDP government in office when the prime minister and premiers signed the accord in 1987. Even the federal NDP caucus had only two-thirds of its present strength of 44.

Things are different now, with the probability they will become even more dramatically different by the time we reach our next scheduled constitutional crunch - in 1992, when Quebec faces a

deadline for holding a referendum on its future. By then, western socialists willing, we could see a majority of Canadians under the stewardship of provincial NDP governments.

That would mean, in effect, that whatever The Rest of Canada (TROC) proposes to keep the country united, it will have to have broad support among New Democrats. And anyone who has followed NDP constitutional debates over the years will quickly realize the difficulties involved here.

DIFFERENT NOW

The problems are no longer quite the same, however. The party's Quebec wing, which used to force national conventions into semantic wrestling matches by constantly throwing "sovereignty-association" and other similar objectives into the ring, has struck out on its own.

That should make things somewhat easier for national leader Audrey McLaughlin who, unlike her predecessor, won't have to spend half her time trying to interpret, for the benefit of TROC, the often strident comments of Quebec party officials.

That sure caused Mr. Broadbent to lose a few good sleeps.

Ottawa Bureau
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But what Ms. McLaughlin may have to content with - and Mr. Broadbent probably wishes he had had the same opportunity - is a wide variety of views among members in other provincial NDP governments.

Canada's most powerful province, Ontario, already has an NDP government, under Bob Rae. Saskatchewan must vote later this year and opinion polls tell us it's likely Roy Romanow's New Democrats will unseat Premier Grant Devine's Tory government.

If everything one hears in Victoria is true - or even contains a smattering of truth - it seems equally likely that Michael Harcourt and his NDP party will put

an end to the riveting and rollicking years of Social Credit government.

While Mr. Harcourt, as premier, would enter the unity issue with a clean slate, the same cannot be said for Mr. Romanow. He was attorney general of Saskatchewan when the Constitution was patriated in 1982 and Quebecers still see him as one of Jean Chretien's midnight plotters in that controversial process.

RAE OPEN

Quebec Premier Robert Bourassa, who - health permitting - will be the key individual in next year's crunch, at least gives Mr. Rae a relatively high assessment. He describes him as "open."

Perhaps that's because the Ontario premier has been careful to avoid plunging into the debate with quick fixes or hardened positions. The bilingual premier has sounded fairly reasonable to Quebec editorial writers and other commentators.

But there hasn't been unqualified enthusiasm for Ms. McLaughlin's vision of a new Canada. In fact, after years of the NDP policies being regarded as among the most sympathetic towards decentralization, Canada's first female national leader has come across as

perhaps the most centralist of all current leaders.

What she proposes, in general terms, is the transfer of "administrative powers" to the provinces, rather than legislative powers. Other shifts would have to be justified by the provinces.

"The onus should be on the provinces to explain why a redistribution is necessary and to demonstrate how Canadians would be better off.

"The fundamental rule that must apply is not whether a redistribution serves the needs and goals of governments, but whether it serves the needs and goals of the people," Ms. McLaughlin has said.

In a comment that probably didn't win a hearty round of applause from Mr. Romanow, the national leader said patriation of the Constitution without Quebec "represents one of the greatest errors in Canadian history."

It could be, come fall, that New Democrats will be holding their own federal-provincial constitutional conference in search of common ground. And, unlike any previous NDP national convention, Prime Minister Mulroney and other premiers will be tuned in to every word.

It must feel good to really matter.

Precious little being done about competitiveness

OTTAWA - Everyone seems to be talking about Canadian competitiveness these days, but there's precious little being done about it.

Much of the chatter in government and business circles is about unit labor costs, compared with our rivals in the United States, Asia and Europe.

Unit labor costs is a fairly simple concept. It measures the production cost per unit of something - a car windshield, a dress, a computer keyboard, or that old standby, the mythical widget.

The concern arises because Canada's unit labor costs have been climbing much faster than those of our competitors in recent years. Federal budget papers released in February noted that Canadian unit labor costs rose by 6.5 per cent last year and were expected to jump by another 4.5 per cent in 1991.

These increases are as much as 50 per cent higher than those in the U.S., up to seven times higher than Japan's and five times more than Germany's.

Finance Minister Michael Wilson mentioned the need to improve our competitiveness with his budget speech, promising a batch of discussion papers and

talks with business and labor on ways to shape up.

OPTIMISTIC VIEW

If success is at hand, the Finance Department predicts unit labor cost increases may only be 1.7 per cent in 1992 and average only 1.4 per cent between 1993 and 1996. That would be markedly below American projections of 2.9 per cent for the same period.

For this to happen, however, Canadian business will have to do its part in a realm that it has largely neglected until now.

There are three ways unit labor cost increases, compared with other countries, can be lessened. Two have been tried, but, unfortunately, the third has been given short shrift.

One method has been to make life tough for workers. That's the approach being followed today. Demands for large wage increases and more lucrative benefits can be discouraged by a hard-nosed combo of high interest rates and limits on raises.

When interest rates rise - and we are all witnesses to it these days - consumers stop spending, businesses trim their investments, and employees lose jobs. Workers who face unemployment are going to reduce their expectations, hence production costs will be less. The trouble is, this is a

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very costly policy in social and economic terms.

A second way to make Canadian exports cheaper abroad is to let the dollar fall in value. The point was brought home this week when Adam Zimmerman, chairman of giant Noranda Forest Inc., called upon Ottawa to allow a devaluation of the loonie.

LOWER DOLLAR

Our lower dollar helped save Canada in the last recession, but it can lead to complaints in other countries, notably the U.S., of unfair competition. Moreover, it drives up the rate of inflation by making imported goods more expensive to Canadians.

The third path, and one often overlooked, is to increase our productivity through more research and development and

technological innovation. If Canada is losing ground to other countries, this is the theatre in which we must improve.

The country's performance in this sector is pitiful. If the government's research and development (R and D) spending is a disgrace, the private sector's effort is appalling.

Government R and D spending falls in the middle of industrial powers, Science Minister Bill Winegard said in a recent speech. But private investment lags sadly behind.

Recently, the Commons' science and technology committee issued a report saying the

ratio of total Canadian R and D spending total output of the economy hovers between one and 1.5 per cent.

The unanimous report, entitled Canada Must Compete, urged Ottawa to set a national goal of 1.9 per cent by the year 2000, and 2.5 per cent by 2005.

Look at how those figures compare with our trade rivals. Japan spends 2.9 per cent on R and D; Germany forks out 2.6 per cent; and the U.S. invests two per cent.

Is it coincidence that Canadian unit labor costs have been rising much faster than these competitors who devote more to R and D? You be the judge.

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