

Telegraphs Act

cables. As to the question of whether 11 more telegraph circuits will be too many or not, how can one tell until the circuits are open and we have the experience to be able to tell whether they are too many or not? All I can say is that the review on the part of the government will come when an application is made for additional circuits in a new cable. That is where the question is going to arise. All I can say to my hon. friend is that I cannot tell who will have to be consulted at that time until I know what is the situation that prevails at the time the application is made.

Mr. Green: Will it hurt anybody in Canada if there are more circuits than can be used? Who is going to be hurt if that is the position?

Mr. Marler: Mr. Chairman,—

Mr. Green: May I explain it in this way. Here is a private company which is prepared to spend \$25 million or \$35 million—I think that is the latest estimate—to put in a coaxial cable, and is proposing to have 24 of those outlets in Canada. Who is going to be hurt if those 24 outlets turn out to be 10 or 15 too many?

Mr. Marler: Mr. Chairman, I do not see how it can be said they are going to prove that there are going to be 10 or 15 too many. That an application may be made by, let us say, Commercial Cables Company and that they wish to open 24 new duplex circuits in Canada, I think we would be inclined to take a look and see what was the then existing capacity. When somebody comes along and tells us that what he wishes to do is to instal 24 duplex circuits, financed largely with moneys coming from a contract with the United States government—

Mr. Green: They are financed by loans. They have to borrow money. They gave evidence to that effect in committee.

Mr. Marler: Let the hon. member place his own interpretation on the facts and let me place my interpretation on them. But I say that when a company comes along and asks for permission to open in Canada 24 duplex circuits, supported by a lease agreement providing for approximately 65 per cent of the operating expenses, including interest, and when those 24 duplex circuits represent approximately 12 to 20 times the amount of capacity that company is now using in Canada, I would naturally question the desirability of adding so many circuits to the existing facilities. I think the hon. gentleman would have exactly the same feelings if he had the responsibility for his actions.

[Mr. Marler.]

Mr. Green: Then are we to believe that the minister is trying to prevent Commercial Cable Company from wasting their money? Is he trying to help them save some money by not letting them have any of these outlets in Canada? If the minister thinks they are very foolish to put in the new cable and to open 24 circuits in Canada, why should he worry about that matter? Why not let them go ahead and do it? If they have not sufficient business to use those circuits, surely nobody is going to be hurt; but the Canadian business man is going to have just that much more chance to get a direct service, for example, from Vancouver to London or from Winnipeg to London. As the situation is now, the minister has said that, by his policy, no one but this crown corporation can have access to one of these coaxial cables in Canada. The crown corporation has not a cable. It is only leasing what cables it is using at the present time. Surely nobody is going to be hurt if the Commercial Cable Company go ahead and put in these outlets. Is the minister willing to give them permission to open any number of these outlets, even less than 24, if a coaxial cable is laid?

Mr. Marler: When it becomes likely that the United Kingdom will grant a landing permit for the Commercial Cable Company in the United Kingdom, I would be perfectly prepared to review, in the light of circumstances that exist at that time, just exactly what policy I should follow in recommending that the company be allowed to terminate additional circuits in Canada.

Mr. Green: In the committee evidence was given that the company was negotiating with continental nations to land the cable there. If it can be landed elsewhere than in the United Kingdom, does that make any difference in the attitude of the minister?

Mr. Marler: No.

Mr. Green: The minister would still be willing to consider allowing them certain circuits in Canada?

Mr. Marler: Mr. Chairman, I think that we are now in a field which is purely hypothetical. All I can say is that it depends entirely on where the cable is going to go.

Some hon. Members: Carried.

Mr. Fulton: A few moments ago there was an argument used by the minister as to why he felt that he would be justified in refusing a licence—if I followed him correctly—and in which he said—

Mr. Marler: No; not a licence; a landing permit.