

Bell Canada Act

However, Mr. Speaker, this monopoly, which is a source of very substantial revenues for this company, should not be allowed in areas other than telephone services. I would be concerned to see a company like Bell Canada, protected by its monopoly, make profits which would be used to acquire unlimited control over related areas in the communications industry. I think this would have the effect of exceeding the general scope of the Act of Parliament that created Bell Canada and gave it its monopoly position.

I therefore support the motion moved by the Hon. Member for Mount Royal (Mrs. Finestone) and invite my colleagues in the House to do likewise.

[English]

Mr. Fred McCain (Carleton—Charlotte): Mr. Speaker, there are some concerns about this Bill which I wish to express today. They relate mainly to the amendment and the clause concerned. The term "affiliate" is not defined in such a way as to make clear what an affiliate is in the legal sense of the word. There is nothing to say that an affiliate may not be one which, by contractual arrangement, is already doing business with Bell Tel. It is not clear whether the affiliation is by the cross-ownership of stock. It is not clear what constitutes control of an affiliate in any way, shape, or form.

In reality, control is when one owns or votes 50-plus per cent of the shares of the corporation. In other legal documents it is stated that that constitutes control. I suppose that some of the conglomerates and holding companies of the world may consider that they can control a company with 20 per cent ownership of the stock of the company. Within the latitude extended in the definition of that term in this Bill that could constitute control.

● (1320)

Unfortunately, what the word "control" constitutes has not been clearly delineated. For example, Bell Canada owns a block of stock in N.B. Tel which would be deemed by some as exercising control. I do not think that is the case but, nevertheless, it is a possible interpretation. It does not say, for example, that the company must control voting stock to the extent of 50 per cent or more. The definition of "affiliate" is certainly lax and could be interpreted in many ways.

I am also deeply concerned about the fact that this Act enables Bell to intrude itself, by order of the commission, in the operations of companies supported, regulated and in some instances owned by a province. There is very serious concern about whether the commission should be authorized to enter any jurisdiction in which it presently does not operate through control of or affiliation with a service rendered within a provincial framework. The control exercised by the various provinces does not overlap very much with the CRTC. However, there are some points which give the provinces some very serious concern. For example, the method by which cable t.v. licences have been issued under the authority of the CRTC has left some people wondering who knows best about the community in which the service is to be licensed.

I really think it is imperative that this Act be given some further consideration. As well, the various amendments should be given more serious consideration than they have received so far. I hope that the ability of the company to interfere in provincial distribution of telecommunications is not abused, and that the commission itself would not abuse its authority to interject the company into other jurisdictions with respect to telecommunications, cable television or any of the other new technologies devised by science.

These definitions are too lax and I think they should be better explained. The authority of the commission to interject itself into the provincial domain is certainly not approved by many of the provinces and is resented by most of the companies operating under provincial control. It is most unfortunate that this has reached the floor of the House in this form.

The Acting Speaker (Mr. Charest): Is the House ready for the question?

Some Hon. Members: Question.

The Acting Speaker (Mr. Charest): The question is on Motion No. 6 standing in the name of the Hon. Member for Mount Royal (Mrs. Finestone). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

The Acting Speaker (Mr. Charest): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mr. Charest): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mr. Charest): In my opinion, the nays have it.

Motion No. 6 negatived.

Mrs. Sheila Finestone (Mount Royal) moved:

Motion No. 8A

That Bill C-19, be amended in Clause 11

(a) by adding immediately after line 9 at page 4 the following

"(2).1 No person shall directly or indirectly acquire control of the Company without the prior approval of the Commission."

(b) by striking out line 18 at page 4 and substituting the following therefore:

"(1), (2).1 or (3) may be specific or general and".

She said: Mr. Speaker, I was pleased to hear some support from the Government side because there is a very serious and ongoing concern with respect to how Bell Canada Enterprises has managed to manipulate events. By changing its corporate structure it is in a position to avoid any kind of scrutiny by the CRTC. The intent of this Bill is to restore that scrutiny. In