

Railway Act

rationale of this Bill. In other words, what is the purpose of introducing it and what is meant to be achieved? The Parliamentary Secretary informed us that this Bill is to bring equity to the telecommunications industry on the same basis as it exists in the broadcasting industry. I would like to point out that that may not really be the case. If that were the case, I think we would be facing some serious difficulties in both industries. I refer to the news release by the former Minister of Communications, the Minister of Energy, Mines and Resources (Mr. Masse), on June 26, 1986, when the first Bill was introduced in the House. It states that the amendment to the Railway Act would allow the recovery of costs associated with the Government of Canada's regulation of the telecommunications carrier industry. The news release goes on to demonstrate how the telecommunications regulatory authority, the CRTC, will recoup with the aid of this Bill sufficient revenues to cover the costs incurred by the CRTC in regulating the telecommunications industry, namely, Bell Canada, British Columbia Telephone Company, CNCP Telecommunications, Telesat Canada, NorthwestTel and Terra Nova Tel.

● (1140)

However, I bring to the attention of the House Clause 1 of the Bill which would amend Section 321 of the Railway Act by adding the following:

321.1(1) Subject to the approval of the Treasury Board, the Canadian Radiotelevision and Telecommunications Commission may make regulations imposing fees, levies or charges on any company within the meaning of Section 320 and providing for the manner of calculating the fees, levies or charges in respect of the company and the payment thereof to the Commission.

There is no indication in this regard that it is strictly to recover the cost of operation. It simply indicates that the CRTC shall have a certain mandate subject to the approval of Treasury Board.

Let me point out another matter which I think the Minister of Communications might find rather disturbing. I quoted from an official document released by the Department of Communications on June 26, 1986. I bring to the attention of the Parliamentary Secretary to the Minister of Communications (Mrs. Maily), to the Minister of Communications, and to the House that I received in my office on October 17, 1986, a piece of misinformation from the office of the Minister. It was sent to me on PC caucus services stationery with the heading "PC INFO". It outlined the content of the Bill.

This was not an official communication from the Minister of Communications but a communication which I suppose was sent to the caucus of the PC Party. I do not believe it is the kind of information that I as a member of the Opposition Party expected to receive in order to guide and counsel me on this particular Bill.

That being said, it was noted in this PC Information document which is a précis of the Bill to amend the Railway Act, that:

The legislation would permit the government to recover approximately \$6 million in revenue annually, beginning in 1986-87. The amount collected from

the carriers will correspond directly to the costs incurred by the CRTC in regulating the telecommunications industry.

I find it rather sad that I would be receiving a directive from the PC caucus instead of the Minister of Communications, who I presently welcome.

The purpose of the Bill is to allow the CRTC to levy fees. The reason the Minister introduced the Bill, according to the memo which I received from the PC caucus, is to allow the CRTC to recover the costs which it incurs. Therefore, one would assume that the CRTC is presently not bringing in sufficient revenue to cover the costs of its operations. However, when I looked into the figures I found that the CRTC is in fact bringing in enough revenues, through licence fees and the like, to cover all the costs of its operations, including salaries, hearings and administrative costs. Not only is the CRTC currently generating enough revenue to cover all the costs it incurred in regulating both the broadcasting and telecommunications industry, it is generating a huge surplus.

My statement is borne out by the Chairman of the CRTC, Mr. André Bureau who, on April 10, 1986, appeared before our Standing Committee on Communications and Culture and made a statement about the CRTC finances. On pages 40 and 41 of the minutes of the proceedings of that Standing Committee, Mr. Bureau is quoted as saying that he estimates that the CRTC will incur total operating costs of \$25.7 million in 1986-87. He further states that he estimates that the CRTC will bring in revenues to the Government of Canada's Consolidated Revenue Fund, through licence fees and the like of \$54 million during the same period. This is more than double the costs incurred by the CRTC, so it would seem to me that it is certainly covering its costs.

Mr. Bureau summed up the situation to our Standing Committee as follows:

[*Translation*]

"I should point out that the CRTC is a net revenue generator for the federal government. In this fiscal year, as I mentioned, estimated revenues amount to \$54 million, which is more than twice our allocated resources."

[*English*]

If the goal of the Minister, the Ministry and the Minister of Finance (Mr. Wilson) is to recover costs, I would suggest that this is not the area where they will recover costs. It already has a fine profit of \$54 million.

While the Government purports to introduce Bill C-4 to allow the CRTC to cover its costs, it will be apparent from what Mr. Bureau has said that the CRTC operates at a large surplus of \$54 million. In fact, the CRTC is probably the envy of every other administrative body and agency because it is so highly profitable. The CRTC is not a drain on the federal treasury. In fact, it returns excess revenues to the treasury. It is not a drain on the consumers or the constituency that it serves. We see that Government's regulatory agency as being productive, efficient and obviously well managed. However, I do not see why it should become a cash cow to fill the coffers