

[Translation]

Mr. Beaudoin: I thank the hon. member for calling me to order. I believe it means practically the same thing, if we went to the same school. We probably did not, but I believe we both speak French. And the terms are very similar.

Mr. Speaker, I should like to quote now from an article published in the Friday, February 16 issue of *Le Soleil*, by Mr. Burtnick, a representative of the Ontario government, who says he is shocked that Bell Canada, over at least six or seven years, has been requesting rate increases every year or two. And Bell Canada never fails to indicate that the request for increased rates is motivated by increased salaries. The low-wage earner is always blamed for the poor management of those who are seeking excuses for their mismanagement.

I should like to quote the statistics supplied to me by the Corporation of Quebec teachers, in a brief addressed to each hon. member, to prove to the House that salaries are not the cause of Bell Canada's increased operation costs. In 1966, Bell Canada had 40,008 employees and total salaries were \$225,400,000; salary increases were \$25,200,000, i.e. 12.6 per cent.

• (2040)

In 1967 the number of employees at Bell Canada was 38,123, salaries \$236,800,000 and the growth in salaries \$11,400,000, a 5 per cent increase.

In 1968 employees numbered 37,489, salaries reached \$250,700,000 and the growth in salaries \$13,900,000, a 5.9 per cent increase.

In 1969 it was clear that it was certainly not the rise in salaries that was behind the tariff increases, for Bell Canada had 38,686 employees, paid \$274 million in salaries and the growth in salaries was \$23,300,000, a 9.3 per cent increase.

In 1971, the company had 39,136 employees, the payroll was \$333,800,000 and the growth in salaries was \$31,900,000, a 10.6 per cent increase.

In 1973 the number of employees is 41,000, salaries amount to \$398,800,000 and the growth in salaries is \$30,200,000, an 8.2 per cent rise.

Bell Canada stressed to the Commission the cause of its tariff increases. I believe that if this company is granted the increase that it is now requesting, this will be the equivalent of disguised taxation which, once again, will come from the pocket of the small taxpayer.

Bell Canada attributes the rise in its operating costs to the following elements: the rise in prices, \$11 million; increased taxation \$12,900,000—we see that it is again the "behind the door" taxation which is putting the tariffs up—and the new collective agreement, \$33,400,000.

The figures I quoted earlier show that the cost of the collective agreement, \$33,400,000, is not the correct figure. I have worked out the average of the figures I quoted earlier; it comes to \$26,600,000 and not \$33,400,000. Therefore, it is no excuse for Bell Canada to say that it is the small salary earners who are lining their pockets, and that that is what is putting up the cost of its services.

Bell Canada

To quote again from the same newspaper; *Le Soleil*, Mr. D. W. Burtnick stresses:

Last year the company installed 177,000 more telephones than expected—at an average cost of \$17.50—but in its end-of-year statement, Bell said it had spent \$500,000 less than expected.

And it claims it is forced to put up its tariffs. If it sets up more equipment than anticipated on the other hand, it incurs less expenditures.

The quotation goes on as follows:

The Ontario representative also blamed those who, testifying for Bell, stated that if the company could not increase its rates, the service would deteriorate.

In the past, one had to travel 2 or 3 miles to find a phone in a home of a remote rural area. On the other hand, we find one in almost every house and even sometimes 3 or 4. I think that it shows that Bell Canada does not have to raise its rates to finance itself. Moreover, in order to show what is going on in Quebec, I would like to quote again *Le Soleil*:

Calyle Gilmour from Covey Hill recalled that Quebecers already pay \$24 million to Bell and that the company will pay \$32 million in school and municipal taxes in Ontario, but only \$7.4 million in Quebec.

Once more, the people of Quebec are those who will bear the cost. In Ontario, Bell Canada almost always purchases its equipment from a company which it owns outright. If this company increases the prices of the equipment it sells, the user who must pay cannot be held responsible for it.

Statistics show that 99 per cent of families have a telephone and that Canadians are the world leaders as regards the use of the telephone, with 6.2 calls a day.

Therefore, I believe that the telephone can no longer be considered as a luxury but rather as a vital service for all the Canadian people. Consequently, anyone should be able to afford it. Even the government of Quebec considers as essential the cost of telephone when calculating the amount of the benefits to be paid to the 300,000 people who live on welfare in Quebec. I suggest it is very important for the government to see to it that this vital service is not too expensive.

Mr. Speaker, I do not want to describe all the aspects of this rate increase, but I wish to emphasize the fact that Bell Canada is going much too far when establishing some rates which always go up every two or three years.

With this new application A there will be a 50 per cent increase for installing new telephones for anyone who is moving into a new house or who has no telephone. This is nonsense, Mr. Speaker.

Considering that there is a 50 per cent increase by set, if a homeowner has had 4 telephone sets installed, equipment charges for the four sets are increased by 50 per cent.

Moreover, if there are two or three telephones in a house, it makes no difference: so much is charged by set. Nor can I understand how it is costing to make a call from a Contempra phone than from a standard phone. There are a lot of anomalies in that rate increase and once again I congratulate the hon. member for York South (Mr. Lewis) for having brought that motion in.