

Telecommunication Corporation Act

Mr. Douglas: The minister mentioned careful planning, and I wonder what type of economic survey has been made concerning the economic feasibility of extending these facilities as proposed in this legislation. The minister may want to leave this matter until the legislation is actually before us, but I would assume that this involves a sizeable outlay of funds to expand these facilities. I am sure some economic survey has been made as to the anticipated return and how some of these facilities would earn enough to meet the capital investment.

Mr. McIlraith: This bill does not involve expanding the facilities in the way indicated by the hon. member. As to the studies, there are constant studies going on in co-operation with—if I may use the term—related authorities in the different countries, namely the United Kingdom, Australia and New Zealand, in so far as the Pacific cable is concerned, and regarding the scientific advances being made and the economics of them. But there is no completed study, and no immediate contemplated increase I can speak of today, because the developments simply are not at that stage. I thought I had indicated this earlier.

Mr. Douglas: Perhaps I misunderstood the minister. I thought he spoke of additional cable facilities that are in contemplation.

Mr. McIlraith: No doubt there will be further requirements. The demand and the developments are so great in this whole field of telecommunications, both in this country and all over the world, that it is reasonable to assume there will be demands for additional circuits across the ocean, but at this moment there are none immediately contemplated. However, I was very careful to be cautious in this respect because of the rapidity of change.

Mr. Pigeon: This crown corporation uses the Bell Telephone Company of Canada, and I would like to ask the minister how much it cost the corporation to use that company last year. I know it is a poor company, and it is for that reason I want to know.

Mr. McIlraith: I do know the corporation collects a great deal of revenue from overseas long distance telephone calls initiated through the Bell system. I will try to get a precise answer for the hon. member.

Mr. Pigeon: I would like to know if Bell Telephone imposes its tariff, or whether it is possible for the crown corporation to engage in negotiation of an agreement with the telephone company.

[Mr. McIlraith.]

Mr. McIlraith: No, the Bell Telephone Company cannot impose the tariff. The corporation owns the facilities, and it is the one which imposes the tariff.

Mr. Howe (Wellington-Huron): I do not remember the minister answering my question in connection with how many vice presidents there will be, and I would also ask him if the appointment of these vice presidents will come under the civil service commission?

Mr. McIlraith: The short answer to the latter question is no, but I think the hon. gentleman should leave his question until the bill is being considered, because I think it should be discussed at that stage.

[Translation]

Mr. Perron: Could the minister tell us whether to date he has received representations from French dailies promoting the setting up of a French language news agency in Canada through the improvements in the telecommunication services?

The minister just discussed the economic soundness of those improved services. Did the minister receive representations from French dailies to the effect that this crown corporation should be encouraged to provide for the setting up of a French language news agency?

[Text]

Mr. McIlraith: Not as far as I know, Mr. Chairman, but I want to go into that answer further and if there is any change from what I have said I will inform the hon. member.

Resolution reported and concurred in.

Mr. McIlraith thereupon moved for leave to introduce Bill No. C-112, to amend the Canadian Overseas Telecommunication Corporation Act.

Motion agreed to, bill read the first and second times and the house went into committee thereon, Mr. Lamoureux in the chair.

On clause 1—*Composition of board.*

Mr. Douglas: I wish to come back to the question I raised at the resolution stage. The minister spoke of extending the service of the telecommunications corporation to other countries outside the commonwealth. I take it this will not involve any additional expenditure, but will involve entering into arrangements with those other countries to use the services already constructed?

Mr. McIlraith: This is what I was seeking to indicate. It does not necessarily mean construction of additional cables for that purpose.