

Private Bills

be turning to the board of directors to decide. This has reference to the fact that we decided by law this company was not to make an exorbitant profit; yet it has done this by its ownership of Northern Electric. Do they charge the subscriber a reasonable rate? A letter written by a member to the dominion bureau of statistics just recently, on July 31, elicited the reply that the Bell Telephone Company in Montreal charges \$6.46 for a private line; in Ottawa, \$5.46; in Toronto, \$6.03. What about the provincially owned telephone companies? In Winnipeg the charge is \$3.90; in Regina, \$3.90; and in Alberta, \$3.50.

Mr. Chairman, I am not suggesting money is not being made by the provincial telephone companies, but I am suggesting that the subscribers of Bell Telephone Company are paying twice as much for the service they receive as are subscribers of other systems of public utility. We attempted to deal with this by providing in the original law for a limit of 6 per cent on the profits of this company. This was to provide a monopoly, utility service at a reasonable cost to the subscribers—and this has not been accomplished. I am in complete agreement with our increasing the board of directors by five; I would agree that we should increase the board by 15 if necessary, provided we stipulate that the new directors are appointed by the government. If this is done, Mr. Chairman, I think we will be able to support wholeheartedly the motion that is before us, because the motion will carry out the intention of the original act in regard to the limitations that were provided therein. I suggest that anything less is unfair, unreasonable and should not receive the support of members of the house.

The mover of the motion has suggested that this matter should have been discussed in committee. I will therefore resume my seat, with the expectation that the hon. member will move that this subject be referred back to the committee for discussion of the matters that obviously were not before the committee when they considered this bill previously. If this is done, I think it will allow the company to provide the answers that they may well have to some of the questions we have raised.

Mr. Brewin: Mr. Chairman, on this occasion I have some pleasure in supporting the hon. member for Timiskaming. He did refer in rather unkind terms to my profession, but I know we are not sensitive and I forgive him

[Mr. Peters.]

for that. I am not prepared at the present time to support this bill, for a number of reasons. I am not a member of the committee but I have read the proceedings of the committee very carefully and I do not think the reasons given for increasing the number on the board of directors carry any weight whatsoever; so much so that I wonder whether they are the real reasons for presenting this bill.

This bill, as hon. members know, is to permit an increase of the board of directors from 15 to 20. Mr. Vincent, the president of the company, gave evidence before the committee and was asked a question by one of the members of that committee as to the reason for requiring a greater number of directors. He asked whether 15 was not sufficient for the entire administration. Mr. Vincent replied:

We should have a little more leeway. We should be able to do things.

The hon. member for Quebec East then asked, "What things?", and Mr. Vincent replied:

Things we want to have.

He did not at any time specify clearly what he wanted to have. He did go on to say:

We might want—I would personally like to have a seat on the board so that our vice presidents could take turns on the board for a period of six months, for instance, so that the directors could have an opportunity to get to know our officers.

Surely, Mr. Chairman, the Bell Telephone Company is able to arrange that its vice-presidents and directors become acquainted with each other without the necessity of coming to parliament and asking that the board be increased in number to this extent.

Mr. Cowan: They could have phoned each other.

Mr. Brewin: I think that problem could have been looked after in some other way. Then Mr. Vincent said:

So there would be one seat for the vice presidents who would be appointed director in turn for a period of six months so that they would have an opportunity to get to know our people. It is a good thing, it would be a good thing if our vice presidents could know the people who are there.

But there is no explanation given as to why some other method could not be found, rather than coming to parliament with this bill in order to achieve this objective. Mr. Vincent said they should have a little more leeway. Leeway for what, Mr. Chairman? I am assured that there are a number of large, very well managed companies in this country, with boards of directors of 15 or less, which handle a tremendous amount of business. I