

Bell Canada Act

these men to pay what they should pay; maintenance payments to their wives, ex-wives, or children. I will never forget that pattern of expenses of ordinary Canadians. At the top of the list was the telephone bill. Many other expenses are discretionary, but everyone pays a telephone bill. That is why I say Bill C-29 is very important.

We are debating a provision in respect of security deposits. Hon. Members can correct me if I misinterpret the provision. However, it is my understanding that there is a government amendment as well as an amendment in the name of the Hon. Member for Winnipeg North (Mr. Orlikow). In any event, subclause 6(2) reads in part as follows:

Nothing in subsection (1) requires the company to furnish the service or a telephone where—

Subsection (1) indicates that the company must furnish a telephone when someone asks for a telephone; it is a monopoly. Subclause 6(2) continues as follows:

(c) the company has not received therefor a tender or payment of the lawful rates semi-annually in advance.

As the Bill was originally drafted, it allowed the telephone company not to provide a telephone if it did not collect a six-month advance payment, which was really a security deposit. Of course, the company wants to collect the security deposit and it wants customers to pay their bills. However, it was a rather extraordinary power. We must remember that it is a monopoly. As I understand it, one cannot obtain a telephone anywhere else unless the company or monopoly supplies it.

Perhaps the House will forgive me if I tell another personal story. Again going back to working as a lawyer in Vancouver, I discovered that the B.C. Hydro utility was charging security deposits of up to six months of hydro payments. A number of people approached us at the time and said that they were required to pay security deposits, but that other people were not paying them.

Let us look at who were paying security deposits. They were students, unemployed people, and even artists. I remember one artist who appeared in the local directory as a writer and artist. He is now a famous playwright and artist of children's books. The company thought that he must be poor because he was an artist, so it charged him a security deposit. As well as students and unemployed people it charged people in certain parts of town. It was a helter-skelter, unfair system. It was taken to court, and Mr. Justice McIntyre in the case of *Chastain v. B.C. Hydro* ruled that security deposits were illegal and that utilities had to treat all their subscribers equally.

Therefore, one could really question whether the company would have the power, as set out in the original draft of the Bill, to present a six-month advance bill to subscribers of its choice. It is a beautiful way of ensuring collections. Other companies cannot do it. In fact, collection people tell us that some 97 per cent to 99 per cent of people pay their bills. This provision gave the company a little extra clout when it was suspicious that someone may have trouble paying his or her

bill. On no reasonable ground could it simply tell the subscriber to pay six months in advance.

As I understand it, not everyone was required to pay a deposit security. When I had a telephone installed I was not required to pay six months in advance. The company picks out people and discriminates against poorer people.

The Government has seen fit to amend the Bill. A few moments ago the Hon. Member for Mount Royal (Mrs. Finestone) indicated that the Government had somewhat accepted her amendment. It seems to me that in Motion No. 3A the Government has amended the clause to indicate that the company must provide telephones, with some exceptions. One such exception is that, if the commission has not otherwise specified, the company has not received therefor a tender or payment of the lawful rates semi-annually in advance.

Let me translate that legalese. As I understand it, it means that the commission could say that the company cannot charge security deposits. However, if the commission does not say anything, the company can get six months in advance. It is a step forward, but it does not go the whole way. It still allows for the possibility of the commission not saying anything or not adjudicating on the matter, or for the possibility of the commission in fact allowing security deposits. We know what regulatory commissions are; they are sometimes co-opted by regulators.

I prefer Motion No. 5, standing in the name of the Hon. Member for Winnipeg North, which reads:

That Bill C-19, be amended in Clause 6 by striking out lines 3 to 5 at page 3 and substituting the following therefor:

"(c) a financial guarantee of payment by the customer or a third party or such provisions in respect to advance payments that may be established by the CRTC both of which shall not amount to more than one month's advance payment of the subscriber's normal monthly charge".

I do not even like the notion of one month because it discriminates against consumers. You could argue that there is a trade-off. Bell has to provide the service. It is a monopoly. Bell cannot choose its customers. In certain cases you could let them collect a month in advance.

● (1300)

I would agree to support my own colleague's amendment. I suggest the House support the amendment because then security deposits for telephones will not affect low income Canadians.

Mr. Speaker: Is the House ready for the question?

Some Hon. Members: Question.

Mr. Speaker: There are three questions before the House.

The first question is on Motion No. 1 standing in the name of the Hon. Member for Winnipeg North (Mr. Orlikow). Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.