

Government giving Bell a fight. As I said before, if Members of the Government are not fighting it then they must like it. If they like it, then they should get up and brag about it. They should tell the world how good it is. However, there is nothing but silence from Members opposite, nothing but guilty smiles on faces of Members opposite.

The contents of the Bill were first brought up in 1982. It dealt with a reorganization plan which would benefit everyone. It would set up Bell Canada Enterprises and separate Bell Canada, the telephone service, from an investment conglomerate which I described before as being so hungry. It was described by the president of the company as a purification process. In fact, he suggested that if the telephone service were separated from the rest of the holdings of Bell then, by gosh, it would be easier to regulate and that we would not have all this confusion about the 80 other companies it holds. He suggested things would be nice and neat and tidy. Some thought that the measure was intended to avoid regulation and thus deprive Bell of some of its cross-subsidization. This produced the expectation that the cost of telephone service would be kept down, at least in some measure, by the profits generated in other areas. So Bell is not associated in a large part with that service to the consumers with which it was identified in the past. Only three things remained. The first was the 30 per cent of Bell Northern Research and a 24 per cent share in Telesat and Tele-Direct.

As Members will recall, the CRTC investigated the reorganization. It generated 106 pages of analysis and some recommendations. It must be recognized that some of these recommendations are contained in the Bill. They have merit and will advance the interest of consumers to some measure. As other Members have observed, a notable control was omitted from the Bill. I refer to the requirement for a minority stockholder or stockholders in Bell Canada as a check on Bell Canada Enterprises. A measure such as that should be in place. It is something which has been supported by consumers and the Consumers' Association of Canada, which pointed out that Bell Canada got away with shifting over \$500 million in capital gains to Bell Canada Enterprises which should have been left with Bell to have been of some benefit to Bell and its users.

● (1650)

We will likely look to a future in which Bell Canada will be starved of capital by Bell Canada Enterprises, their being no means to ensure that its capital needs will be met. The cost of that will devolve upon the user, a cost in money, poor service and new demands for increases in the basic rate, charges on local calls, and increased long distance charges, all this by virtue of a greater pressure for deregulation which this Bill represents.

This is just one more example of the useless growth of huge conglomerates in an attempt to find better and easier ways of making money without creating jobs or encouraging creativity.

Bell Canada Act

There are those on the government side who would say that Bell Canada Enterprises is a large corporation with large research activities and that it will create jobs. In fact, not one single new job will be created by this reorganization. Existing companies are being purchased. In one instance Bell International has imposed a non-union policy on its wire and cable acquisition in Great Britain. That is not in the interests of workers. Overall, Bell Canada has lost jobs and that is manifest in the difficulties faced in getting service. The criteria of utility to the Canadian public has not been met.

Has there been new research? All one has to do is consider the record of Northern Telecom, an admittedly research intensive company. In 1976 there were 2,900 jobs at Northern Telecom in the U.S. Since then that number has increased to 20,000, while the number of jobs in Canada continues to decline. This arouses the not unreasonable suspicion that Northern Telecom is about to desert Canada for the greener pastures of the U.S. In what way will this benefit Canadians? In no way.

The final question of greatest relevance is will this legislation mean lower rates and improved service, or any of the other things we expect of a company devoted to the service of Canadians? No. It will not improve conditions for those who depend on Bell Canada.

I regret that this Bill has not been the basis for a strong and concerted debate. Having observed the absence of a vigorous defence by the Government, I note there has not exactly been a vigorous participation by the Official Opposition.

Mr. Boudria: I am always here.

Mr. McCurdy: Then I hope that vigour will be demonstrated. When I resume my seat I will look forward to the usual eloquence in defence of Canadians we expect to hear in this kind of debate. Therefore, with an expression of appreciation for the opportunity to participate in this debate, I will resume my seat in the hope that the people of Canada will see this very important Bill subjected to the kind of discussion which would benefit both the Bill and the people of Canada.

Mr. Deputy Speaker: Questions or comments? Debate? Is the House ready for the question?

Some Hon. Members: Question.

Mr. Deputy Speaker: Miss MacDonald, seconded by Mr. La Salle, moves that Bill C-13, an Act respecting the reorganization of Bell Canada, be read the second time and referred to a legislative committee.

Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Mr. Riis: On division.

Motion agreed to, Bill read the second time and referred to a legislative committee.