

Bell Canada

what we consider to be our duty and responsibility a filibuster, that is up to him. It is not the way I and many other members, of parliament look upon that kind of participation in debate.

● (1712)

The bill presented to us has in it matters that are nothing new as it pertains to some of its provisions: they have come forward in this House concerning other corporations and entities in our country. I am surprised, Mr. Speaker, that Bell Canada would have the nerve to want to make these kinds of changes in view of their protestations with respect to their desire to provide great public service, telephone communication service. One would think that they would be anxious and available for full public scrutiny, that they would have no objection to coming before the parliament of Canada.

The provisions in this legislation allow them to evade that kind of examination, scrutiny and accountability. I do not think any self-respecting company which provides a public utility would want to do that, and since it is in fact a public utility is all the more reason it must be subjected to the maximum public scrutiny and accountability. Something like a telephone line, a sewer line or water line is a natural monopoly. It is a monopoly because it is so impractical and economically stupid. You do not have to be a socialist to agree to this. You can be a good free enterpriser having competing telephone lines running down a street side by side, or two competing water or sewer lines. So it is, in fact, a monopoly and it is providing a public utility.

If Bell Canada needs more capitalization for the operation of telephone communications systems, they are quite welcome to come to parliament at any time to ask for that increased capitalization authority and explain how they would use the increased capital to improve the telephone and other communication facilities they are now providing to the public. But no, Mr. Speaker, I have not sensed much of that. I believe the passage of this bill means they will then be able to branch out; they will be able to venture into other kinds of enterprises, other kinds of businesses. We know, in this country, from bitter experience what has happened when a public service or utility has been allowed to go beyond its original purpose. One has only to look at the CPR which for many years siphoned off millions in profits or used the value of assets or their borrowing capacity to pile up capital investments in enterprises other than the provision of a railroad transportation system.

An hon. Member: Then get the subsidy.

Mr. Benjamin: They were able to move into profitable areas other than the provision of a railroad transportation system, and made excellent profits. One has only to look at CP Investments Limited, Marathon Realty, Canadian Pacific Oil and Gas—you name it, Mr. Speaker—Cominco, CP trucks: what the hell that has to do with the railroad I have not been able to figure out. As a result of that, their rail transportation suffered, and still does. I, for one, have no faith whatsoever that in allowing Bell Canada to have a few billion dollars more of capitalization ability is going to mean a substantially

[Mr. Benjamin.]

improved telephone service to people in the parts of Canada which Bell Canada serves. Bell Canada will be into a lot of other things and will become a monopoly in other fields.

My colleague, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) last week effectively pointed out, and I need not repeat his figures, and threw into a cocked hat the arguments of the hon. member for Winnipeg South Centre (Mr. McKenzie), because Bell Canada is serving larger cities that cost more when the opposite is the case and always has been. I am happy that no one else has tried to sell that kind of silly economic argument.

The treating of a telephone system as a public utility in our law is logical, because that is what it is, a public utility; and, of course, we have always said and believed it should be publicly owned. But if it is going to be privately owned, it is all the more reason why it should remain under the aegis of the parliament of Canada, answerable and accountable to its customers, shareholders and to the people of Canada through this parliament. It is all the more urgent that the matter of public control and accountability be retained. This bill weakens, if not destroys that principle. One would think that would be pretty straightforward, Mr. Speaker. This is not socialist dogma that I am putting forward.

Private enterprise governments of various levels in this country and other parts of the world have long since recognized and operated on the basis of anything that is a public utility is, in most instances, publicly owned and controlled as a Crown corporation. Or, failing that, there is a strong and strict requirement for that privately owned corporation operating a public utility to be accountable to a legislature or a parliament. Our experience with the regulatory agencies in Canada, CTC or CRTC, as far as the majority of the public is concerned has not been too good. In the overwhelming majority of decisions made, those two illustrious agencies have come down on the side of the corporation wanting some benefit, and wanting to be relieved of some responsibility or liability. No matter how many briefs and submissions have been made by ordinary citizens or members of parliament, organizations or members of the other place the decision almost invariably of the so-called regulatory agencies have come down on the side of CPR, Bell Canada or some such outfit.

So the experience of what regulatory agencies do historically has been bad as far as the people of this country are concerned. In fact, Mr. Speaker, the actual regulation provided by the CTC, and later the CRTC as far as we are concerned is unacceptable. They have been, in my opinion, from their actions and the results of their decisions, unwilling to act on behalf of the public, on behalf of the consumers of telephone service. They have allowed telephone rates to go up even when Bell's increases have been unjustified. In 1976 this candidate for expansion into the private sector, the beneficiary of this bill if it were to pass, had a net income, after taxes, of \$289 million. They not only have that kind of profitable operation, but accumulated deferred corporation taxes as of 1976—and God knows what they will be by the end of 1977—of \$719 million. That is an interest-free loan from the people of