

Corporations and Labour Unions

is owned approximately 90 per cent by Bell Telephone Company and approximately 10 per cent by Western Electric.

As I pointed out a couple of days ago at an earlier stage of this bill, the Bell Telephone Company's own figures indicate that they are owned 92 per cent by Canadians. The detailed figure is that of the 178,126 shareholders, 97 per cent reside in Canada and they own 92 per cent of the total stock. Going on from there, again, as I say, on the basis of Bell Telephone's own figures 92 per cent is owned by Canadians, who in turn own 90 per cent of Northern Electric, the main subsidiary of Bell Telephone.

Mr. Caron: This does not give the board of transport commissioners the names of the subsidiary companies. The report says that one company, Northern Electric, is included; but in their report they show subsidiary company assets of \$26,815,101, so it appears that there is more than one subsidiary. They should at least report that to the board of transport commissioners, if we are to have a full report of their assets and liabilities. This is one of the reasons why we thought that some of those companies should not be exempted, because then the department would ask them for those details which they do not furnish with their report.

Mr. Fulton: Mr. Chairman, the subsidiaries of the Bell Telephone Company in themselves are not exempt from reporting under this bill. The only companies that are exempt are those named specifically in the schedule. When we come to this group we find that the companies that are exempted are railway, telegraph, telephone or express companies, or a carrier by water in respect of which returns are made to the Board of Transport Commissioners for Canada.

If the subsidiary company, then, of the Bell Telephone is not itself a telephone company which reports to the Board of Transport Commissioners for Canada, it is not exempt from reporting under this bill that we are now considering.

Mr. Caron: Not knowing the subsidiary companies, we do not know if they have to report. We would know if we had the names of those subsidiaries. As it is, we do not know.

Mr. Fulton: I can answer that question, or the suggestion. Unless it is a telephone company which already reports to the board of transport commissioners, they must report under this bill. Therefore the Bell Telephone and all its subsidiaries will report in one place or the other. I can tell the hon. member what telephone companies are required to report to the board of transport commissioners, and

[Mr. Fulton.]

from that he will know whether the subsidiaries of Bell Telephone Company are included, and I am satisfied that they are not. Therefore *ipso facto* those subsidiaries will be required to report under this bill that we are now considering.

The telephone companies required to report under the Railway Act to the board of transport commissioners are, first, the Bell Telephone Company operating in Ontario and Quebec; second, the B.C. Telephone Company; third, Bonaventure and Gaspé Telephone Company; fourth, the telephone operations of C.N.R.; fifth, the Yellowknife Telephone Company, a subsidiary of C.N.R. These companies are listed as I have given them in order of size.

Mr. Pickersgill: Not the Maritime Telephone Company?

Mr. Fulton: I am advised that the Maritime Telephone Company does not report to the board of transport commissioners because it is a provincial incorporation. Indeed I am advised that the telephone companies which do not report to the board of transport commissioners include the provincially owned telephone systems such as the Manitoba Telephone Company, the Avalon Telephone Company in Newfoundland, and the Quebec Telephone Company in Quebec. In some provinces there are some telephone companies which come under provincial regulatory boards; these companies are provincially incorporated and are almost invariably very small.

Mr. Caron: Could we have the number of telephone companies reporting to the board of transport commissioners, and the number which do not report? Just the number, not the names.

Mr. Fulton: I have just given the number reporting; they are five.

Mr. Caron: Five reporting?

Mr. Fulton: Five reporting. All other telephone companies do not report, and therefore unless they are provincially owned telephone companies they would be required to report under this bill.

Mr. Pickersgill: I wonder if the minister would not consider, since there are only five of these companies anyway, taking telephone companies out. It does seem rather ridiculous that the Bell Telephone Company should not have to report under this act and the Maritime Telephone Company, which is a very big company, should have to report. We have never been told just what it is they have to report to the board of transport commissioners, whether indeed it is precisely the same information as they have to report here. I am amazed, for example—and this is a confession