

*Bell Canada Act*

The views of Dr. Gordon and the Canadian Consumers' Association were directed to ensuring that the subscribers of Bell's monopoly services were not adversely impacted by the reorganization. I share those particular concerns. I suggest that in this Bill the Government has demonstrated its neglect for the interests of Bell subscribers and its failure to act on the report of the CRTC in the proposed reorganization changes and modifications that would be required to ensure that the monopoly part of Bell Canada be maintained and fairly assessed.

Again, I bring to the attention of Hon. Members the following words of the Commission:

With these considerations in mind, the Commission has concluded that, in order to ensure that its ability to exercise its mandate is not impaired after the reorganization, there should be legislative clarification of the power to compel the production of such documents and information from BCE and the other Bell affiliates as the Commission considers relevant to enable it to carry out its mandate. This power should also enable the Commission to require that such documents or information be organized, analysed and presented in such form as the Commission may determine.

These powers, and those already vested in the Commission must, of course, be used responsibly and with discretion. They are all, including the power of the Commission to determine what is relevant in any particular situation, subject in any event to the scrutiny of the courts . . .

The Commission therefore recommends that there be legislative clarification of its power to compel the production of such documents and information from BCE and the other Bell affiliates as the Commission considers relevant to enable it to carry out its statutory mandate. This power should also enable the Commission to require that such documents or information be organized, analysed and presented in such form as the Commission may determine.

That is not unreasonable in helping to determine subscriber rates or activities. It would certainly not be in contravention of Section 321 of the Railway Act.

With respect to the divestiture section, Clause 13(1) of the Bill ensures that a telecommunications activity of a Bell affiliate cannot become dominant in its market without attracting regulation. Clause 13(2) provides the CRTC with the means to prevent Bell Canada from engaging in a competitive activity, as opposed to its normal monopoly activity, by ordering Bell to divest itself of the competitive activity.

The stifling effect that a dominant carrier such as Bell Canada can have on the growth of competition is a product not merely of its size but also of its monopoly control of basic telephone services. It is something like a cash cow, which is exactly what it is. It is a constant flow of dollars which many people would love to have.

Access to revenues generated by monopoly services creates the distinct danger that these revenues will be used to subsidize competitive activities regardless of CRTC regulation, to the detriment of competitors which have no monopoly revenue to draw upon. The Bill does not by any means go far enough in preventing this scenario from happening.

In conclusion, I point out that the former Minister of Communications, the Hon. Member for Frontenac (Mr. Masse), during talks with his provincial counterparts acknowledged his sense of obligation to ensure that Canadians are provided with a universal telephone service at reasonable cost.

In fact, Bell Canada has a mandate to provide, on an exclusive basis, as a regulated public utility monopoly, telephone service to all customers in its territory at a reasonable rate. This service has evolved over the last century into more than a privilege. It has now become almost a right for all Canadians.

I have tried to outline the shortfalls of Bill C-13. What it all boils down to is the fact that we can create children but we cannot create our own parents. By creating its own special parent company through reorganization Bell Canada has weakened the powers of the regulatory body, the CRTC, whose function it is to protect telephone subscribers. This Bill fails to give the CRTC the tools with which it can do the most effective job.

I look forward to the necessary changes to the Bill so that it will truly reflect what was in the minds of the founders of Bell Canada—a universal telephone system.

**Ms. Lynn McDonald (Broadview—Greenwood):** Mr. Speaker, the Bill before us today, Bill C-13, respecting the reorganization of Bell Canada, is a slightly recycled version of another Bill, Bill C-19, introduced by the Conservatives in the last session which, of course, was simply a recycled version of a Liberal Bill, Bill C-20, introduced in 1984. However, whatever it is called and whatever number it bears it is a mistaken piece of legislation. It shows a lack of telecommunications policy. It is a Bill dealing with one specific question on which the Government has capitulated in order to give Bell Canada what it wants.

Bill C-13 is virtually unchanged from its predecessor, Bill C-19. I know that the Minister said that there had been some improvements made as a result of recommendations presented in committee. I suggest that they are trivial changes and that the Minister has not learned much from the committee hearings.

The New Democratic Party certainly fought this Bill hard in the House and in committee, as did many citizens' groups, consumers' groups and ordinary Canadians concerned about their telephone service. They fought the old Bill and I suspect, like us, they will be fighting the new one very hard as well.

Bill C-13 represents yet another instance of the Government putting the interests of a large corporation ahead of the public. Most Canadians need their telephones. Virtually all Canadians are telephone subscribers. The largest company providing telephone service is, of course, Bell Canada. Canadians want good service at reasonable rates. It is certainly in the public interest that we have regulations to ensure that this be the case. The Bill before us does not take us in that direction, but instead makes it possible for the company not to avoid entirely regulation but allows certain aspects of its operation to avoid regulation. It certainly ensures that consumers will not receive adequate protection in terms of rates charged.

Canadians are the greatest telephone users in the world. The telephone is an essential means of communication in our large country. Many people would be isolated without one. It is an important matter. Yet the Government has absolutely