

Bell Canada Act

I do not accept the Government's philosophy. While I agree that we need reregulation in many areas because some of our rules are a bit out of date, we should not just throw them out. We should look at them in the context of Canada in the 1980s through to the 1990s and determine what appropriate set of rules are needed to ensure that a utility such as Bell Canada is able to have the funds to provide the level of service that we deem appropriate, and at the same time have that built-in protection of regulation. In this manner, the subscriber to the telephone company can have some protection. It is very difficult for a hundred thousand subscribers to get together and mount a campaign to force a company like Bell to change its pricing structure and give consumers a bigger benefit. That is why years ago we put in place the regulatory system of the CRTC.

One of the areas in the Bill I would like to deal more specifically with is an area that concerns me as it relates to services in my riding. It is an exception to a clause that requires the company, in this case Bell Canada, to furnish services in certain cases. In subclause 6(1) it reads:

● (1630)

Where a telephone service is requested by any person or organization for any lawful purpose in a municipality or other territory within which a general telephone service is provided by the Company, the Company shall, with all reasonable dispatch,

(a) furnish the service; and

(b) subject to any order of the Commission under Section 13 that restricts the right or ability of the Company to be a supplier of telephones, furnish telephones of the latest improved design then in use by the Company in the municipality or territory.

That is where the company is required to provide service, but there is an exception in subclause 6(2) which reads as follows:

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

(a) the premises for which the service is requested are not fronting on a highway, street, lane or other area along, over, under or on which the Company has a main or branch telephone service or system;

(b) the telephone on the premises would be situated more than 62 metres or such other distance as the Commission may specify from the highway, street, lane or other area—

This subclause means that unless Bell Canada has a cable running along the highway, the people who live adjacent to it will not be eligible for telephone service. They are not eligible to receive, at a rate equal to what other Canadians will be paying in that service area, some of the new technology allowing them access to the communications system. When Bell Canada receives a request from a Member of Parliament like myself or from a citizen who may live a mile or two from the end of the line, so to speak, on the Trans-Canada Highway or on one of the other major highways in a rural area, Bell can say that it will not install a telephone unless the person requesting the service picks up the tab for the installation of poles and telephone lines to his or her home.

This is a major problem in rural Canada, particularly northern areas. Many citizens have been unable to receive the

services which you, Mr. Speaker, and I take for granted. Those of us in the House of Commons who have offices here and in our constituencies have multiple lines and multiple instruments with which to conduct business. However, that is not the situation in rural areas.

There are two areas in my riding which do not have telephone service although they are within a reasonable distance and there is a reasonable number of residences grouped within those areas. Fire, police, and ambulance services are also located some distance away. The situation is such, that because of the Bill and Bills like it, residents living near the Pigeon River south of Thunder Bay must drive 10 or more miles to use the telephone. They might be calling the volunteer fire department to indicate that their home is on fire, or the ambulance service to indicate that someone has taken a heart attack, or the police to indicate that there has been a robbery. It is actually easier for them to drive to the fire station than to travel to the nearest telephone. This kind of restriction in the current age of electronics is inappropriate.

Where there are some logistical problems in terms of running telephone lines, a company like Bell should be required to provide residents, at a price reasonably similar to that paid by residents connected to telephone lines, with some type of mobile telephone. The systems are in place. Cabinet Ministers now have telephones in their cars. Cellular phones allow people to go from place to place, to retain the same telephone number, and to work in their cars. We should ensure that rural residents have the same opportunities.

I should like to return to the Bill itself in a general sense. What I find most disturbing about the Government's decision to legalize what Bell Canada has already done is that it is allowing an evolution away from the concept of a utility. Decisions were made by Bell Canada some time in the past to invest in other areas to expand their power base. Some were directly related, such as Northern Telecom, but others were not so related. Now we as a Parliament are moving to allow Bell Canada to take advantage of the income it received on the investments, not for the benefit of subscribers but rather at their expense.

As I understand it, the revenues from the subsidiaries go back into the mother corporation. They are examined in the context of the viability of the company and the prescribed levels of rate of return. Although I have not looked at it carefully, I would suspect that the recent ruling of the CRTC in respect of the two months of free rent was based in part on the profits from the subsidiaries coming back into the mother corporation.

Let us take a look at the profits. In 1979 the profits were \$432.6 million. In 1980 they went down by about 37 per cent to \$273.4 million. In 1981 they went up by 103 per cent to \$555 million. In 1982 they went up by another 11 per cent to \$615.4 million. In 1983 they went up by 34.8 per cent to \$829.8 million. In the first quarter of 1984, the latest figures I have available indicate that the profits were \$203 million.