

Bell Canada

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, while I do not agree with all the rhetoric of the hon. member for York South (Mr. Lewis), I do find myself in substantial agreement with the general thrust of his argument. It must be said the proposal that the federal cabinet should reconsider and perhaps over-rule the decision of the Canadian Transport Commission is not an easy one to make. It may be argued, for example, that it is an independent tribunal set up specifically to make the kind of decision it has made. It has the staff, expertise and jurisdiction to do just what it has done.

The hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) has just given us a very good demonstration of why boards such as this need independence. They need protection from the rantings of Members of Parliament who would interfere with these boards every time they disagree with a decision.

• (2110)

Mr. Alexander: Let the public suffer.

Mr. MacGuigan: It is not a question of infallibility. It is a question of independence. I must say that after hearing the previous speaker I should hate to entrust any of our agencies or our courts to the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton). We must jealously guard the independence of federal agencies.

Mr. Alexander: While they are shafting the people.

Mr. MacGuigan: At the same time, we must bear in mind, of course, that the government has the ability to reverse the ruling of such a Commission. Provision for this is made in the legislation and it is open to the cabinet to act in such a case. In my view this is a case in which the cabinet should assume its responsibility and reconsider the matter.

If I understand the resolution correctly, it asks that the cabinet suspend the decision of the CTC while it is reconsidering the question. But the resolution does not pre-judge the decision which the cabinet might make in its consideration of the matter in accordance with the resolution. In those terms, I completely agree with the resolution.

Mr. Knowles (Winnipeg North Centre): Well, that's one. Now, what about the other?

Mr. MacGuigan: The resolution is not a criticism of the CTC. I believe all members of the House would like to repudiate some of the remarks made by the hon. member for Qu'Appelle-Moose Mountain. The question here is the possibility of reconsideration on broader grounds of the decision the CTC has made. It is precisely because the CTC is limited by its statute in terms of what it can do that the problem to which the motion addresses itself has arisen.

The problem is in fact larger than the problem immediately at hand. First, there is the unfortunate inadequacy of the structure, inasmuch as jurisdiction over both transportation and communications has been joined in one regulatory body.

At the time Canada came into being, the distinction between communications and transportation was scarcely realized. Certainly, it was not clearly realized.

An hon. Member: There is no difference.

Mr. MacGuigan: The only reference to communications as a distinct subject in the British North America Act is in section 92(10)(a) in the mention of telegraphs. The other words in that subsection refer to "works and undertakings connecting a province with other provinces or extending beyond the limits of a province." It was to bring it under this category of "works and undertakings" that the act incorporating the Bell Telephone Company in 1880 was amended by a statute of 1882. In section 4 of that statute it was stated:

The said act of incorporation is hereby amended and the works thereunder authorized are hereby declared to be for the general advantage of Canada.

It was only under this type of provision in our constitution that federal regulatory jurisdiction over what we now consider to be distinctively communications began to emerge. Subsequently, with the decision of the Privy Council in the radio reference of 1932, it was recognized that here was a new field of regulation, and not long after that radio, and then television, began to be separately regulated. Telegraphs and telephones were left where they had begun, in the field of transportation, and I suggest this is no longer satisfactory in the year 1973.

The second inadequacy is a consequence of the first, and is an inadequacy in the terms of reference. The Railway Act stipulates that the Transport Commission regulate federally-chartered telecommunications common carriers and approve all rates for public and private wire communications. The type of regulation envisaged by this act is set out in section 321 (1):

All tolls shall be just and reasonable and shall always, under substantially similar circumstances and conditions with respect to all traffic of the same description carried over the same route, be charged equally to all persons at the same rate.

Mr. Speaker, these are not sufficient grounds of consideration today when we must respond to the type of request which is continually being placed before the Commission by Bell Canada. I should like again to draw the attention of the House to the fact that the minister, in a green paper, has himself suggested that a new body should be set up, one which we might call a Canadian Communications Commission. This would separate, once and for all, the regulation of communications from the regulation of transportation.

An hon. Member: And how would that help?

Mr. MacGuigan: It would have authority over all matters involving communication. This would leave us in a much better situation because all issues affecting communications would be dealt with together, and the regulatory body would be able to develop expertise in that particular field. The terms of reference drawn up for that Commission should, of course, be sufficiently broad as to enable it to take into account much wider considerations, when considering applications for rate increases, than is now permitted.