

*Railway Act*

Further, the retroactivity date is March 31, 1986. It will take at least a year, at breakneck speed, for all the normal administrative procedures and notices of motion by the CRTC to be acted upon before we will begin to see the application of this recommendation with respect to the fee assessment. That means not before 1988. This could mean big dollars, and for whom?

The Government seems to expect that Bill C-4 would allow the CRTC to recover at least its operating costs of \$6 million beginning in 1986-87 by assessing fees against telecommunication companies such as Bell Canada, B.C. Telephone, CNCP Telecommunications, Telesat and others.

The critical question is, what will companies such as Bell Canada do if it is assessed large fees in future years pursuant to the authority of this legislation? I expect that Bell will contend that such fees increase its operating costs. I would not be surprised if Bell then applied to the CRTC for a rate increase with respect to the sums it charges for telephone services. And who will be asked to pay any such rate increase? It goes without saying that it will be the telephone subscriber. This will be so whether the subscriber is an individual or a business, in particular a small business. The fees to be levied by the CRTC on companies such as Bell will eventually be paid for out of the pocket of telephone subscribers. These are the results that are almost sure to follow if Bill C-4 is passed in its present form.

What does the Government expect me to say to the many senior citizens living in my riding on fixed incomes when they ask me why their monthly telephone charges have been increased? Does the Government expect me to tell these citizens that they are being charged more for telephone services because the CRTC needs more money? I have already demonstrated today that the CRTC does not need more money. Does the Government want me to tell these people to do without a telephone if they cannot afford to pay the charges? Surely the Government must realize that in our modern world a telephone is no longer a luxury but a necessity. Once again, I must ask whether the Government has fully thought through the consequences that could flow directly from the enactment of this Bill? I for one am not sure that it has.

Only a few days ago telephone subscribers received relief from the CRTC in the form of an order that Bell Canada refund to subscribers two months' worth of basic charges and provide lower long distance rates in the future. This decision was welcomed by the Minister and by everyone in the House. It was certainly welcomed by my Party and by consumers who have long yearned for lower telephone rates. We now find that what the CRTC gave telephone subscribers with one hand the Government looks to take away with another through Bill C-4. The Bill may ultimately result in increased telephone rates. It seems that the Government will not give consumers a break. It intends to pour cold water on the heads of telephone subscribers. How does the Government spell relief? Is it through Bill C-4, which could be subtitled "a Bill to enrich the treasury"?

There are many telephone subscribers in the country who are served by provincially-owned telephone companies not regulated by the CRTC, such as the Manitoba Telephone System, Sask Tel, and Alberta Government Telephones. Therefore, since the CRTC would be unable to levy fees or charges against a company such as the Manitoba Telephone System, telephone subscribers in Manitoba will think themselves immune from the higher telephone bills which could flow from this Bill. These telephone subscribers may be mistaken. We will have to wait and see what the court decision involving AGT, the provincially-owned telephone company in Alberta, may suggest with respect to CRTC regulation.

I point out to Members of the House that this Bill could also allow the CRTC to assess new fees against CNCP Telecommunications. We will want to know whether these fees will be passed on by CNCP to consumers in the form of higher telex and telegram rates. I do not know if they will be touched or not; but it is certainly something worthy of examination.

I have outlined the serious reservations which my Party has with respect to Bill C-4. These reservations include the retroactivity provision; the question of whether the CRTC really needs the new fees to be levied under the authority of Bill C-4; whether the subscriber or the shareholder will bear the burden of the costs; and whether we really need to raise new moneys in this manner. Perhaps we should be looking at a method of redistribution in some way.

Our most serious reservation is that any such fees levied by the CRTC against the telephone companies could very well be passed on to telephone subscribers by way of increased rates. I outlined the tremendous burden which is now being borne, particularly by middle and low income Canadians, due to the last two Budgets and the November, 1984 statement. I hope we will find no new hidden ways to increase costs to subscribers and, therefore, to consumers.

My Party insists that the entire Bill—its three paragraphs—be referred, preferably to the standing committee but, if not, to a legislative committee for review and amendment. I would insist that the committee afford the telecommunication companies and the consumer groups a full right of hearing. While the Bill is in committee, my Party will attempt to ensure that the amendments which are made will prevent the telecommunication companies from passing on any portion of these new fees to telephone subscribers.

● (1210)

**Ms. Lynn McDonald (Broadview—Greenwood):** Madam Speaker, I am indeed pleased to see you in the chair today.

**Some Hon. Members:** Hear, hear!

**Ms. McDonald:** Madam Speaker, Bill C-4 is an Act to amend the Railway Act. It is an Act which would permit the CRTC to collect fees from the telecommunications industry for its services in regulating this industry.