

CRTC Act

when they tried to abandon their responsibility to provide services at a modest cost to ordinary residential subscribers. Now they are at it again, and hearings are being held before the CRTC.

It has been argued that certain services are coming under competitive pressure and that therefore Bell Canada should be entitled to charge \$20, \$30 or \$40 per month for residential telephone service. One of the reasons that we have had relatively good service in the past is that there has been a public service ethos in the Bell Canada system and other Canadian telephone systems, which are both privately and publicly operated. That does not mean that Bell Canada's profits might not have been excessive from time to time, but nonetheless there has been a public service ethos both in the granting of that monopoly and, I would maintain, to some extent in the carrying out of that responsibility in the Bell system. Bell is now trying to get away from that. Part of the public service ethos was that the service would be provided for \$9 to \$10 a month if people wanted a black telephone without fancy trimmings, and that therefore the service would be accessible to 95 per cent or 98 per cent of the population. Of all the countries we are among the most heavy users of the telephone. The reasons are weather, distance, and the nature of the country. I would not want to see that end.

It has been suggested that there are some bleeding hearts in the New Democratic Party who think, because there are 400,000 or 500,000 people being threatened with loss of service, that we should advocate subsidies. To continue to offer the services to people of modest means should be a reasonable trade-off, if a private sector telephone company is going to enjoy a monopoly and have access to every residential subscriber. The people who talk about the full cost being paid by residential subscribers should realize that the art of cost accounting is imperfect. There has been a costing study by the CRTC under way for six or seven years, in an attempt to determine whether or not Bell Canada is losing money on residential subscribers. The findings will be a matter of judgment. It cannot be brought down to specifics because it is a matter of how the costs are allocated in a system which is heavily capital-intensive. There are many cut-backs now taking place because of the impact of new technologies. For example, Bell has reduced its number of operators by more than half over the course of the last 10 or 12 years. I believe that some of the benefits of that should be made available to residential subscribers.

As far as residential subscribers are concerned, many of the capital-intensive improvements which have taken place in the telephone system are of little use. Maybe Aunt Minnie wants to talk to Aunt Ada, or Madame Dupont wants to call her doctor. The old system served those simple purposes just as well as the new system. Under those circumstances, to say that low-income residential subscribers must pay enormous charges in order to have a sophisticated system beyond what they require, is clearly unwarranted and unreasonable. Directives should be considered by the Cabinet which would tell the CRTC that it is the purpose of public policy in Canada to have

a system whereby every Canadian is able to benefit at a very modest cost.

In conclusion I would like to say that Our Party is concerned about deregulation and the unilateral power of the Cabinet to determine if there is enough competition to deregulate. It could mean that the entire telephone system could be deregulated, subject only to review by a parliamentary committee which would be controlled by the government Party. That is not sufficient. When this Bill goes to committee, we will be pursuing that particular question.

Mr. Deputy Speaker: Are there any questions or comments?

Mr. Schellenberg: Mr. Speaker, I listened with a great deal of interest to the Hon. Member for Ottawa Centre (Mr. Cassidy) and, with the greatest respect, his speech was quite reasoned and very interesting. From what I understand, he generally agrees with the thrust of the Bill, but he feels there are few minor discrepancies.

He commented on what drives our nation's broadcasters. He spoke about Global-TV and CTV. There are many instances when, in fact, Global-TV and CTV surpass the efforts of the CBC. If it is agreed that profit does drive the nation's private broadcasters, what about the CBC? What would happen if we did not allow the CBC to take advertising dollars? Would that mean that there would be fewer reruns of *Dallas* and *The A-Team* and that we would have better programming in Canada if that were allowed?

Mr. Cassidy: Mr. Speaker, the Hon. Member raises a very interesting question about broadcasting policy which I would like to see the House debate soon. There has been a lot of informed and concerned comment about the impact of the \$75 million in cuts which were imposed on the CBC by the Government in the economic statement of November 8. Questions about the mandate of the CBC have been raised, including the one which was raised by the Hon. Member. He asked, do we really need the CBC to bring us *Dallas*, *Dynasty* and other programs? Far too often the CBC is hard to distinguish from the CTV, either in the frequency of commercials or in the nature of its programming. Frankly, I share that concern.

I spent some time in England during the Christmas recess. It was a sheer delight to watch commercial-free television. One must ask the question whether the CBC is flagellating itself for the sake of \$180 million worth of advertising revenue per annum, when in fact it could be doing a better job and possibly save a lot of the money it spends in selling the advertising. In other words, the loss would not be \$180 million if it was commercial-free or had fewer commercials than it does now.

I am not quite clear about the Hon. Member's comments in relation to the profit motive. I was suggesting that the CTV and Global-TV had a real privilege in having access to the air waves. As Canadian broadcasting undertakings, it could be said that they are not living up to what is reasonably expected of them, in terms of giving us a picture of ourselves as Canadians and contributing to Canadian culture and content.