

Bell Canada Act

installed. I take it that the Hon. Member knows about the clause to which I am referring. Clause 6(2)(c) provides that if the CRTC fails to prescribe an amount which telephone subscribers must pay in advance to obtain telephone services, Bell will automatically be able to charge a six-month prepayment regardless of whether the customer is a good or a bad credit risk.

In debate, government Members have maintained that the clause is academic because Bell would not impose that charge. If that is so, why give a monopoly like Bell Canada the power to impose that charge? If government Members are convinced that it will not charge that amount, then they should not give Bell the right to do so. Would the Hon. Member give Bell that right or would he debate the clause in committee and have it changed to prevent Bell from charging subscribers a six-month pre-payment?

Mr. Graham: Mr. Speaker, I believe the Hon. Member for Ottawa—Vanier (Mr. Gauthier) misunderstood my remarks, if indeed he was listening earlier. I referred to the fact that the change between the old Bill C-19 and the new Bill C-13 was in Clause 6(2)(c). I quoted the change as “if the commission has not otherwise specified . . .” That change indicates a desire on the part of the committee and of this Government to accommodate the concerns of all Parties in the House.

• (1620)

Mr. Gauthier: Does the Hon. Member believe that the CRTC should be authorized to set that rate, or would he give the monopoly, Bell Canada, the right to set that rate?

Mr. Graham: We are broadening the debate a long way when we drag in the CRTC at this point in time. These changes are perhaps part of what eventually must become a review of all aspects of the broadcasting industry, including the operations and dictates of the CRTC.

Mr. Gauthier: I enjoy this because we are going to clarify another point. The CRTC exists as a regulatory body because Canadians as a whole have given Bell Canada a monopoly over certain services. In my view, that is why the CRTC should be the one to set the up-front rates charged to customers to install phones in their homes. I believe that, but I take it that the Hon. Member is telling me that he does not believe that.

Mr. Graham: It is fair to say that the CRTC has, on many occasions, performed its functions in a satisfactory manner. But it is also fair to say that perhaps a massive review of the entire structure would change some of the aspects and regulations of the CRTC. To answer your question specifically, you would not want Bell Canada regulating itself.

Mr. Deputy Speaker: Resuming debate.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I am here to participate in the debate on Bill C-13 which is entitled an Act respecting the reorganization of Bell Canada. I

think it would be more aptly labelled the selling out of the Bell subscribers.

I represent an area in Ontario which is fairly unique. The bulk of my constituents do not depend on Bell Canada for their residential and commercial services. The City of Thunder Bay and the surrounding rural area of 35 to 40 miles is served by the City of Thunder Bay Telephone Department, which is a municipally owned and operated public utility. This utility over the years has expanded its service to take over much of the area adjacent to the City of Thunder Bay which was served by Bell Canada. If this utility does not have the lowest rates in the country for residential and commercial services, it has the next to lowest rates. It operates as a utility and provides an essential service to the subscribers of that area. It ensures that the revenues derived in excess of its operating costs under the limits prescribed by the regulatory agency in the Province of Ontario are reinvested to improve services to existing subscribers, to expand into rural areas, and to upgrade those services. At the other end of my riding, which is the largest geographical portion of the riding of Thunder Bay—Atikokan, we have services provided by Bell Canada. It is with great interest that I take part in the debate today on Bill C-13. This Bill is designed to make legal something that Bell Canada has already done, that is, to restructure itself and carve out its subsidiaries in such a way that the subsidiaries are no longer controlled by the regulatory regime in place through the CRTC. That has been done even though those subsidiaries, whether they are Northern Telecom, Bell Canada Enterprises, or Bell Canada International, have all been spawned as a result of the use of the revenue generated from services that Bell Canada provided in the Provinces of Ontario, Quebec, and the Territories. It has taken subscribers' money and poured it into the development of new subsidiaries. It now wants to take those lucrative subsidiaries into its corporate structure and to its shareholders and move them out of the field where there is protection for consumers to the whole land of free enterprise. In effect, it has had its subscribers subsidize its improvements, expansion, and now it wants to ensure that there is no way that the regulatory agencies of Canada can force Bell Canada to return the profits from those investments back to the subscribers who provided the initial capital.

Quite frankly, that is consistent with the way this Government operates in relation to deregulation—whether it is deregulation of airlines, rail systems, natural gas, or telecommunications. The Government is allowing those corporate sectors to get away with whatever they can. There is no protection for the consumers. We have had an excellent example recently of the importance of regulatory regimes to consumers in this country. That relates to an application by Bell Canada for a rate increase. The CRTC ruled that what it wanted was excessive. In fact, the CRTC ruled that Bell Canada had already received too much from its subscribers and ordered it to give its subscribers two months' worth of free phone rent. CRTC further ruled that long distance service charges be reduced, because too much money was made there.