

*Bell Canada*

So I am really concerned about a private member's bill of this nature which includes a radical change of the charter, if I understand the bill correctly. The hon. member for Sault Ste. Marie will correct me if I am wrong, and again I am indebted to him for his help. If this is an essential change in the charter, then I have cause to fear the passage of this bill, because I think that whenever we are in a monopoly situation, people who are serviced by a company deserve as much protection from that monopoly as they can possibly get. As the structure now permits it, the best check and balance that we have is that Bell Canada has to come back to parliament for approval of its services and the changes that it wants to make. Again I say I have no quarrel with making it more flexible and expanding the borrowing powers in relation to the inflationary pressures which exist in today's economy, but I think we need to continue the provision whereby the monopoly must come before parliament and gain approval for the major changes it is seeking.

**Mr. Cyril Symes (Sault Ste. Marie):** Mr. Speaker, Bill C-1001 relating to Bell Canada is an important bill the import of which, I fear, many members of the House do not understand fully.

It is not just the innocuous bill that the hon. member for Scarborough East (Mr. O'Connell) would like us to believe, that is, just a bill to update the borrowing powers of the company. If that were all it were in terms of having parliament authorize an increase in the capitalization of Bell, we would not find objection to it. But this bill is an exact replica of Bill S-2 passed by the Senate last year, to which we raised objections when it came to the House for approval. Our objections still stand.

What in reality this bill attempts to do besides allowing for an increase in the capitalization of Bell is to try to subvert and lessen public and regulatory scrutiny of this large and powerful monopoly. Under the act of parliament which now governs Bell, it must come back to parliament to get an authorization for an increase in its capitalization. That is not an accident. Parliament in its wisdom decided that if it were to give this private company, Bell Canada, a monopoly over the telephone system over much of this country, then it better do so only on condition that members of parliament who granted that power to the company would have, in the future, some kind of continuing supervisory power over how that company operated with reference to the very important area of capitalization.

If this bill passes unamended, we, as members of parliament, will never again have the opportunity to examine this procedure that Bell has to observe in its desire to increase its capitalization in the form that we now have before us. In the future we will not be faced with another bill of a similar nature because, if this bill passes, we will find that debate and votes will have been skirted or avoided, because the bill will get around the procedure that we have at this point. Therefore it seems to me that we will be doing a disservice to our constituents who are telephone subscribers who, over the years, have legitimate complaints against the way in which the company is operating, who have not received satisfaction from the CRTC

[Mr. Friesen.]

and who, in the end, rely on members of parliament to speak up about the way in which the company is operating and to try to influence the company.

I maintain that the bill is a very dangerous one because it ends parliamentary scrutiny of the company in that sense. How will it be done? I ask hon. members to examine Clause 2 of the bill carefully because it permits Bell Canada to alter its objects, powers and capital stock by a method of letters patent. In the future it will not have to come before parliament with a special bill. By the letters patent procedure, Bell will simply apply to the Minister of Consumer and Corporate Affairs (Mr. Allmand) for the change. Letters patent will be tabled in the House of Commons. There will be no debate, no amendments possible, and no votes possible under that procedure. After 30 days of the tabling of these letters patent, they have the power to change the objects and powers of the corporation. It becomes law in terms of the way the company can operate.

● (1732)

As well, in Clause 2 in various subclauses we see that if this bill as it is now before us is passed, Bell will come under the Canada Corporations Act. If that happens, Bell will be allowed powers it does not have at the present time. It will be allowed to be treated as any other corporation in this country.

I submit to hon. members that Bell in no way can be conceived as just any other corporation. It is a monopoly. Because it is a monopoly, we in the New Democratic Party maintain we have to strengthen, not lessen, public regulation of the company. If Bell comes under Section 16 of the Canada Corporations Act, as is intended by this bill, it will allow the company to invest in any field it wants, not just telecommunications as the company is presently limited to investing in under the terms of its act of incorporation passed by the Parliament of Canada. We could conceivably have Bell investing in motels or any other kind of business, or getting into sub-banking activities which are totally unrelated to the telecommunications field.

**Mr. Baker (Grenville-Carleton):** Mr. Speaker, I rise on a point of order. I have been following very closely the speech of the hon. member for Sault Ste. Marie (Mr. Symes). With regard to the letters patent, he said they would be tabled and lay there for 30 days—

**Mr. Knowles (Winnipeg North Centre):** Lie there, I hope.

**Mr. Baker (Grenville-Carleton):** —and they would be approved and parliament is virtually powerless to deal with it. I cannot conceive that that would be the case. I wonder if my friend has inadvertently misled the House, because it states at page 7 of the draft bill that the letters patent, and I quote:

—become effective on the thirtieth sitting day of either House of Parliament after they have been laid before Parliament unless before that day either House of Parliament resolves that the letters patent shall be annulled whereupon the letters patent are annulled and of no effect.

Does that not preserve the right of parliamentary action with regard to those letters patent, or have I misread the clause?