

*Private Bills*

Telephone Company you will find that more than one third of the stock, or 34.6 per cent is held by large financial institutions. Institutional investors, insurance companies and pension and mutual funds own one quarter of the company. The 93 largest investors, none of which is an individual, own six million shares of Bell Telephone Company, or 21.5 per cent. You can well imagine the scrapping that is going on among those 93 larger investors about who is going to be represented on the board of directors.

The Bell Telephone Company has issued some publicity in connection with a hearing that the board of transport commissioners has called. Personally I would like to label that hearing in advance as a joke. The Bell Telephone Company officials have pointed out that the company requires 7 per cent return on its money and they are going to have to raise another \$1,250 million in the immediate future for expansion purposes. If they require that much money for expansion purposes in the immediate future one can rest assured that these large insurance companies, investment institutions and banks are going to be asked to buy Bell Telephone Company stock, and one can well imagine that those companies will want to be represented by a director on the board of directors of the Bell Telephone Company in order to have a finger in controlling their heavy investments in this monopoly.

I could not agree more than I do with the hon. member for Joliette-L'Assomption-Montcalm, who suggested a while ago that this monopoly should be nationalized. I could not agree more than I do with the hon. member for Lapointe and the hon. member for Roberval in their wish to have representatives of the common people on the board of directors of this monopoly. I back up the hon. member for Greenwood and the junior member for Halifax in their demands that there be a supreme court ruling requested by the cabinet as to the ownership of the Northern Electric Company by Bell Telephone. If the company's interest in the Northern Electric Company were sold it would have money on hand that is needed for the expansion required, to which they refer in the publicity which is now being released prior to the hearing called for by the board of transport commissioners.

Mr. Chairman, I could go on reading extracts about the history of the Bell Telephone Company. I have exposed the fact that they receive a special rate from the Canada Post Office Department for sending out their bills

each month. This special rate does not apply to other organizations. The Bell company prints its own bills and calls them service charges, because the service charge is the same month after month, such as \$5.75, and they get a preferred rate from the Canada Post Office Department. This preferred rate is made available to a few other giant companies which are able to print their statements with regard to indebtedness, but the small grocer or coal man whose bills vary from month to month has to send them out sealed as first class mail.

In the province of Ontario we have a special tax exemption applied to the Bell Telephone Company in the city of Toronto. The Bell Telephone Company receives a tax exemption on a large proportion of their real property. I have a letter in my hand from Allan A. Lamport, an ex-mayor of Toronto, dated October 26, 1964 which states:

I am enclosing clipping as per my promise Friday night when I saw you.

The clipping is from the *Toronto Telegram* of October 1 and states:

Board of control yesterday backed Con. Lamport's demand that the Bell Telephone Co. be required to pay full city realty taxes.

The Bell, by special provincial legislation, receives an annual exemption amounting to \$455,000. The firm still pays \$3,000,000.

Mr. Lamport's letter reads as follows:

This is also to advise you that the legislation is provincial which relieves the Bell Telephone Company, as shown in the clipping. We do not relieve the hydro or the gas company of part of their assessment. The Bell Telephone Company do a good job and a creditable one, but it is difficult to understand why they can get exclusive and specific special treatment. You could compare them with the wiring system of the hydro or the piping system of the gas company. Neither of these is relieved and one is publicly-owned. The other, namely the gas company, is privately-owned by the stockholders in the same way as the Bell Telephone Company. I trust this covers the query about which you had asked me.

I draw this to your attention to show you the way in which the Bell Telephone Company argues for special consideration. Yet, as the member for Halifax has stated, this company has grown beyond the bounds of a monopoly and has become an empire, and requires more serious control than is now being exercised by the board of transport commissioners.

I support the subamendment wholeheartedly, because five more directors of the type outlined by the two hon. members would provide a searching examination of the Bell Telephone Company, which is long overdue.