

HOUSE OF COMMONS

Monday, April 15, 1985

The House met at 11 a.m.

● (1105)

GOVERNMENT ORDERS

[English]

BELL CANADA ACT

MEASURE TO ENACT

The House resumed, from Tuesday, April 2, consideration of the motion of Mr. Masse that Bill C-19, an Act respecting the reorganization of Bell Canada, be read the second time and referred to the Standing Committee on Communications and Culture.

Mr. Speaker: Before I recognize the Hon. Member for Humboldt-Lake Centre (Mr. Althouse) for debate, may I indicate to him and to the House that there is a ruling I will be delivering later this morning. Unfortunately, it is not ready at this moment. I suggest therefore that the Hon. Member resume debate and I will be back later with the ruling requested by the Hon. Member.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I have almost completed my remarks, but I was interested in the ruling which the Chair has indicated will be given later today concerning the appropriateness of this Bill since it was introduced as a Government Bill. It attempts to amend a series of what were Private Members' Bills. In light of that I wonder whether the Bill itself should not have been introduced as a Private Member's Bill and argued as a consequence under Private Members' Business instead of taking up the regular time of the House.

The Bill itself is seen by us on this side at least as an effort by Bell Canada to reorganize itself in a manner, as I was saying on April 2 when the debate began, so as to change the structure of the Corporation to make it possible for Bell Canada to omit the cross-subsidization that now occurs between ordinary users of telephones and those heavy users who are in business in the large metropolitan areas.

As you will know, Mr. Speaker, and as many people in my riding are very much aware, there is a move being contemplated by CN-CP. We think perhaps there is a move by CN-CP to get a hold of the very lucrative long distance, big business part of the communications network. Bell Canada would like to be able to supply services between the very large centres and very large businesses. Bell would be prepared to grant reduced rates

for high volumes which are evident in the very large metropolitan areas and Bell could offer a lower per unit rate.

What we think Bell is attempting to do by reorganizing itself is to set itself up into a structure that would permit Bell to put its ordinary household telephone service into a separate corporation which would not have the benefit of cross-subsidization available from the very lucrative long distance business rate. It would mean in the end that users of telephones—and this is of great concern to people in my area because they tend to be by Canadian standards in rather remote communities, small communities—would be left in the position of having to pay two, three or four times more for the use of a telephone and some of them will find they will not be able to afford to keep their telephones. It is a question even in very large urban areas as to whether people who are currently on welfare, or on pensions eroded by inflation, will be able to keep telephones. It is extremely important for those people to be as close as the end of the telephone to their neighbours and to services for their medical, social, or commercial needs.

We think the move by Bell Canada to break itself into very small units is not something in the public interest. As I said in my remarks on April 2, we have seen this kind of thing happen with the CPR which gradually divested itself of all its very profitable business and left itself essentially with just the railway part of the business which is perceived as a public service. As a result the public purse is subjected to calls upon it to provide subsidies to keep a very necessary public service going. We fear that is a project Bell Canada has in mind; that Bell is attempting, through the use of telephones in homes, something Bell realizes the public will not forgo, to put itself in a good position to raid the public treasury through the CRTC, which for political reasons would obviously require that the service continue to be supplied.

We think Bell Canada should continue to stay in the organizational structure it now has, to use some of its very profitable subsections of its business to subsidize the over-all community. This is not just because we are stubborn and want to hold things up; it is because we think it makes good economic sense to have sources of long distance business located in every household, whether that household is made up of old age pensioners, welfare recipients, or people living in remote communities.

We urge this House to defeat this Bill. We urge the Government to withdraw it and permit those remote communities and the people on lower incomes to have complete access to the full service available to them now.

The Acting Speaker (Mr. Charest): Are there any questions or comments? Debate.