

B.C. Telephone and Telegraph System

at a price that is less than the value of the system, and they are obtaining what is a valuable and exclusive franchise in that area, there should be not only the most strict provisions requiring them to continue the present service and to improve it where possible, but also a restriction on the right to apply for increases in rates.

This is a rapidly-growing area and the franchise will be most valuable in the future, and although they are obtaining it on these advantageous terms, I take it as a fact that they will be able to show that portions of the system are not operated at a profit, and that might normally be taken to justify an application for an increase in rate. My position is that having obtained these advantages they should be required to accept restrictions on their rights to increase rates.

Now, Mr. Speaker, it may be of interest to the house and to the country to know just what these purchasers are getting, at least with respect to the telephone system. On January 18, the minister answered another question of mine, as appears at page 1190 of *Hansard* for this session. He gave details as to what the system comprises, I find there are 4,720 telephone sets in the government telephone system.

There are 37 exchanges; or rather, counting those places where there are multiple switchboards, there are 37 exchange switchboards. Anyone here who has studied the matter knows that a switchboard is a highly complicated and very expensive piece of machinery—think what 37 of them represent. There are 3,159 miles of pole line which, at approximately 35 poles per mile, makes 110,250 poles. There are 17,661 miles of wire, of which 11,354 miles are copper wire. That information will indicate that it is an extensive and valuable system with a great deal of expensive and complicated equipment.

We also find, as appears at page 1190 of *Hansard* for January 18, that since 1943-44 there have been seven repeater stations constructed, all comparatively new installations, four of which have been taken over by the Canadian National Telegraph Company and three by the British Columbia Telephone Company. The total cost of these repeater stations was approximately \$685,000. In other words the cost was not very far short of half the total purchase price of \$1,500,000. It will therefore be seen that these companies have acquired between them a very valuable and extensive system with an exclusive franchise, and they have acquired this at a price which is considerably less than the replacement cost of the system, according to the government's own figures, and at a price, I suggest, very much less than the actual worth of the system on an installed cost basis.

[Mr. Fulton.]

In view of that feature, if for no other reason, my position is that we are entitled to assurances from the minister. If he says he is not in a position to give us any details today we are entitled to assurances from him that binding conditions will be inserted into the agreement for sale and transfer which will require the purchaser to continue the service as it exists at present, at no less frequency than it operates at present, and which will restrict them in their right to apply for increases in the rates.

I would like next to say a word about the position of the employees of the system. There are many hundreds of faithful civil servants engaged in the operation of the government telegraph and telephone system throughout British Columbia in that part of the province which I have described, and throughout my constituency, the constituency of the hon. member for Cariboo (Mr. Leboe) and the hon. member for Skeena (Mr. Applewhaite). It is and always has been the only communication system available, and by and large the regard of the population for the personnel who serve them and operate the system is of the very highest order.

Many of these men and women have many years of service in that government system. I believe it is only proper therefore, and I know the minister shares this feeling, that we should insist that so far as it is possible the position of these government servants should be protected. Where it is possible to arrange for them to be absorbed into the staff of the purchasing companies that should be done, and due regard should be paid to their present seniority. Some arrangement should also be made to carry into the purchasing companies their superannuation or pension rights. I am satisfied some arrangement could be made between the Department of Finance and the purchasing companies to facilitate such a transfer.

I would also suggest it is but fair to insist that where it is not possible to absorb any of the employees of the government system into the staff of these purchasing companies so that an employee is in a position of relative equality to that which he enjoyed in the government service, then arrangements should be made for these men and women to be absorbed into some other branch of the civil service. I do not believe it is fair that men and women with long and faithful service should be left, as it were, to fend for themselves after having given such service, nor that they should be placed in that position as the result of a decision over which they have no control.

We have already asked the minister for assurances in this regard. The reason why I