

Government Orders

I have much more to say in that regard but my time has almost expired. Let me just summarize. This bill charts the future of broadcasting in Canada but it is basically flawed. The course that this government has set is insupportable. National unity, cultural development and regulatory independence are not well served by this legislation. This country, I submit, is not well served by this legislation. The government has failed to provide a Broadcasting Act that Canada needs and needs desperately to survive.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I would like to ask my colleague, the hon. member for Okanagan—Shuswap a question but, first of all, I would like to compliment him on the very nice job he has done in carrying through this very complex bill in the absence of the critic. I know that the critic was not pleased about not being in this House, but I am sure he will be very delighted to know that the hon. member has done a very fine piece of work and so I congratulate the hon. member. I know it was not easy.

I would like to know if the hon. member feels comfortable enough to answer a question with respect to cable, which was one of the very strong points raised by the hon. member's colleague, the hon. member for Port Moody—Coquitlam.

Not many of the members of the New Democratic Party took the opportunity to speak to the bill. I know that my friend from Windsor and a few others did but certainly they were not overly numerous in their exercise of concern in this House. Could the hon. member tell us what is the view of the NDP in respect of cable? The hon. member was talking about the rates of return which they enjoy. I thought it was much closer to about 24 per cent but the hon. member says it is closer to 30 per cent and that is not net profits, either. What does the hon. member think would be the answer and what would be the best route to enable them to contribute more effectively to the Canadian broadcasting system?

Mr. MacWilliam: Mr. Speaker, the member raises a very legitimate point. Because of the time limitations I did not have the opportunity to go fully into that matter.

I want to reiterate that the cable industry in Canada is basically an unregulated monopoly. Although we may have a slight dispute concerning the net profits received by the industry, I think my hon. colleague would agree with me that it does pretty well for itself. As a matter of fact, in the past 18 months alone, the increase in the price structure has been some 29 per cent. That is a very substantial increase in pricing.

We are saying that essentially we have a monopoly situation. Why do I say that it is a monopoly situation? Very simply, one cannot go into my riding or any place in British Columbia or Canada and start up a competitive cable company. You cannot do it. The cable companies that are serving that market virtually have a hammerlock on the market. Therefore, they become a monopoly.

That is not necessarily a bad thing. I think it makes everyone slightly uncomfortable when we hear talk of monopolies. Do not forget that our telephone systems province-wide are essentially monopolies. These are monopolies that are structured in terms of the pricing increases they are allowed to implement. We do not have this situation in the cable industry. Perhaps if we had some mechanism to tie it to a reasonable and justifiable profit margin, then we would not see the kind of price gouging that I submit we have seen recently with the industry. They are making a very tidy profit indeed.

In terms of consumers across Canada whose income levels make it very difficult for them to go out to see a movie or to spend their disposable income in entertainment because they have virtually no disposable income, cable television is one of the few tools that they have to relax and enjoy some culture with. It is very difficult for these lower-income people to afford those kinds of price increases.

In summarizing my comments, I suggest that because it is an unregulated monopoly, and because it has demonstrated its unwillingness to moderate its price increases, there should be a mechanism developed to establish some pricing guidelines as we have in other monopolies in Canada.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I wish to congratulate the hon. member for Okanagan—Shuswap for his very balanced presentation and to take this opportunity to welcome him to the role of official critic for communications and culture for his party.