

Government Orders

• (1620)

The bidder will essentially have to look at the possibility of actually buying more shares than the 53 per cent share block that has been offered. I think his case makes eminent sense when you look at it in terms of fair play.

The fact is that the minority shareholders do not have the opportunity to disperse their share ownership: they are essentially locked into it. I think that this particular provision would provide that opportunity for them should they wish to exercise that right.

Really, the government should not be playing by any special rules in the liquidation of the shares. I think out of a sense of fair play to the other shareholders in this particular venture that this particular amendment should be supported.

The second amendment seems to have been duplicated by my Liberal colleague and myself. I was of the understanding that he was not proceeding with this but seeing both of them in there essentially reinforces the importance of this particular amendment.

Essentially the money that will be recovered from the sale of the shares of Telesat will not all be used under the current legislation to reduce the outstanding federal debt that is owed by the Crown.

We have placed this amendment in hopes that we can convince the government to utilize completely the moneys that will be returned through the sale of these assets and to place these moneys into the debt servicing reduction fund in order to help buy down the heavy federal deficit that we face.

Canadians contributed some \$30 million to Telesat initially. That \$30 million, if you looked at it in today's terms, would be about \$120 million. As well, the taxpayers of Canada, through the government, have lent Telesat some \$40 million in the early 1970s to get the company up and running.

After all of this support to Telesat the time has come, according to this government, to sell off these assets. We are saying that is fine if that is the decision that is taken. If this bill in fact does pass, then let us utilize those assets rather than maintain the original assets and place those assets into consolidated revenues.

Let us use that money to buy down the federal debt which I think the public in Canada would favour. It wants to see the deficit reduced. Liquidation of these assets as we have suggested through this amendment would better be accommodated by using all of the revenues that are returned to the Crown to help buy down the federal debt.

I just want to move briefly on to the third amendment. We have to recognize the foresight of my colleague for Mount Royal in placing this amendment before us. She has picked up on a real flaw in the legislation.

Any future sale of Telesat is to be approved by the CRTC, but the government's sale of Telesat which this particular legislation pertains to, is not going to be under the scrutiny of the CRTC, at least in the initial phases.

This amendment, I think, will correct that weakness in the legislation. It would ensure that the CRTC would in fact examine the sale of Telesat and the government's liquidation of its interest in Telesat to ensure that it really was in the interest of the public.

While this amendment might slow down the sale of Telesat, I think the public interest would indeed be served by having a full examination of the ramifications of this particular sale through the oversight of the CRTC to ensure that the interests of Canada and the interests of Canada's telecommunications industry are in fact fully recognized.

In that regard, may I just summarize by saying that the three amendments before the House at this time are good amendments. They are amendments that will move a considerable way in strengthening this piece of legislation before us today.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I rise to speak on yet another privatization initiative of this government. Telesat Canada happens to be in my riding of Ottawa—Vanier. I want to speak on the amendment put by my colleague, the hon. member for Scarborough—Rouge River. This is an amendment which I feel would be appropriate at this time since the purpose of the bill, as I read it and as we understand it, would not protect the minority shareholders who would be locked in till the majority shareholder has been satisfied. I find that difficult because we all know that