

*Government Organization*

regard to the establishment of a domestic communications system by space satellite. Leaving the technological aspect aside, I would be very interested to find out what the government has in mind relative to the ownership, regulation and control of such a system. I can imagine that the minister is under tremendous pressure from the private sector of the communications industry to leave the ownership and management of this communications system to them. Personally, I have nothing against the notion of utilizing the capability that exists in our private sector of communications to the fullest possible extent in research and development. I see nothing wrong with the concept of joint public-private capitalization of this system.

• (3:20 p.m.)

But I hope that if it is to be a joint public-private venture, the government will avoid the error that it made, for example, in the establishment of the Panarctic oil exploration venture. As I recall, 45 per cent to 50 per cent of the capital required for that venture was put up by the government but with regard to control, of the 14 directorships on the board only one was accorded to the government. I am not suggesting that there is any need to have government representation on the board of directors in exact proportion to the subscription of equity capital; but it is rather ludicrous to have the government using the taxpayers money to put up half of the capital and then having only one of the 14 slots on the board of directors. Not only is it disproportionate, but I think it is putting the one government representative in a very difficult position which may prove to be untenable. It would seem to me logical to have more than one, preferably three or four out of 14, for example.

In the case of this domestic communications space satellite corporation, I hope that between now and the enactment of the legislation the minister will correct any mistakes he may have already made if he has, in fact, agreed to have the government put up most of the risk or development capital but have only one or two slots on the board of directors of the corporation. I think this kind of arrangement is simply unacceptable.

The minister should look to the experience in the United States. About six years ago the U.S. Congress threshed out this question at the time of the establishment of the Comsat Corporation. My understanding is that the United States government did not put up very much investment capital, but despite

this they have representation on the board of the corporation. This is important. I think the best arrangement, although on ideological grounds I suppose the minister would not accept it despite the fact that from time to time in the past he has sounded like a Social Democrat, for the development of a domestic communications space satellite system would be to have ownership vested in the public through a public corporation.

I do not mind saying that I am one of those who is enthusiastic about the notion that Canada should be developing such a communications system. We should be developing the scientific capability that goes with it. Some of the reasons for my enthusiasm about it are these: First of all, I agree entirely with the assertion made in the white paper tabled last April that this technology, this space satellite system, will enable us to do a great deal in the way of providing programming in both French and English to all parts of the country. It may well serve as an instrument for greater national unity in future years. That is one reason why it seems to me important.

The second reason is that when you look at the coverage provided by present microwave systems, you see that vast stretches of our country are not able to receive communications signals of any kind, television or commercial. With the advent of a space satellite system, for all practical purposes all of Canada, including the vast northland, would be within reach of television entertainment or communications signals of the commercial variety. All parts of Canada would be within reach of these signals. Perhaps because I am a westerner I believe this is very important. Therefore, even if the cost should be somewhat higher in the case of a space satellite system compared with building up a large ground relay system, I believe it would be worth the extra cost. I hope the minister will not let himself be talked out of the notion that the government should proceed, as a matter of firm commitment, with the research and development needed to launch and have in orbit our domestic communications satellite system.

As I said in a speech a few weeks ago, it would be helpful if we had comparative costs as between building a space satellite and a ground relay system which would provide equal coverage. I know it is difficult to compare these costs, but surely the minister concedes that we must have some comparative figures before us. Otherwise, how is it possible for us to make any valid, worth-while