

#### COMMUNICATION CORPORATION

A domestic satellite communication system should be a national undertaking stretching across Canada from coast to coast, north to Ellesmere Island and operating under the jurisdiction of the Government of Canada.

The satellites and earth stations together would form a single system under the control of a single management. This would provide the operational and technical control which is essential to facilitate the progressive incorporation of new technology, and so fulfil the minimum conditions for financial success.

The organization should have a corporate form in order that it may sell its services efficiently to the common carriers and television systems; in order that it may compete effectively in those areas where competition is appropriate; and in order that it may finance its activities through a suitable combination of equity and debt capital....

A corporation would ensure that there would be competition between the suppliers involved in the construction of the satellite and earth stations. In particular it would ensure competition between the manufacturing subsidiaries of the common carriers and those manufacturers who are independent of the carriers. A further benefit to be derived from such a corporation is that it would help in ensuring that satellites and equipment were designed and built in Canada to the maximum degree technically and economically feasible....

Having carefully considered the relative merits of public and private ownership of satellite communication facilities, the Government will propose that a corporation be formed by special statute of Parliament to develop, own, and operate both the satellites and the earth stations of the system, consistent with relevant international agreements. The Government will propose to encourage private participation in the Corporation, and, to this end, will initiate discussions with the interested parties. The pattern of ownership needed to maintain effective Government control in those matters involving national interest will emerge from these discussions. The proposed legislation would provide not only for the establishment of the Corporation, but would also indicate the general nature and scope of regulation contemplated for the system, in the light of the general legislation for telecommunications.

#### CANADIAN DESIGN AND CONSTRUCTION

It is at this early stage of the development of a satellite communication system that Canada must decide whether to be simply a user of these new means, as they may be developed by others, or to be a leader in their development. Only the latter will permit the realization of their full benefits and opportunities for the Canadian public.

It is evident that Canada already possesses, to a large degree, the essential technology to determine the design and construction of its own domestic satellite system as a result of successful programmes of the Department of Industry, the Defence Research Board and the Department of Transport. This is not to say that every part of the system be manufactured

in Canada. Components or sub-systems may be brought from other countries when the volume might not justify Canadian development of production. When this is the case however, effective control can only be maintained through the exercise of choice and specification. The control of specification, design, and construction, can and must be retained in Canadian hands. The development of satellite communications will employ the most advanced 'state of the art' in many fields of technology. An important corollary, therefore, to the undertaking of such development by Canadian industry will be to enable it to apply the resulting skills to the development of other high technology products. The complex technology of satellite systems involving advanced techniques, new planning methods and higher standards of industrial performance will, in a few years, become the technology of many industries. It demands the rapid evolution of techniques, reliability of products, control of production, interdisciplinary development work, anticipatory research and system management, and long-term programme planning.

The development of such methods for space projects may prove in the long run to be of considerable general importance. When entirely new, and apparently insoluble, technical problems have been solved, the methods used in their solution may often be applied to other more classical problems, such as transportation, medical techniques, and education.

While enabling Canada to enter the field of space communications, the development of satellites also gives Canada essential experience in some of the most relevant aspects of the presently evolving technology. The involvement of Canadian industrial firms in this evolution would undoubtedly help to improve the position of those firms in their bids for participation in international programmes.

National identification is intimately associated with technological progress. The power of programmes such as this to attract and hold scientists, engineers and others, and to cause them to identify their own aims with those of Canada, cannot be ignored.

The programmes, both private and public, to prepare Canadian industry for participation in space communications, have been markedly successful. The Government intends to use to the full this capability in realizing a domestic satellite communication system....

#### TORONTO SYMPHONY IN OSAKA

Mr. Mitchell Sharp, the Secretary of State for External Affairs, has announced that the Canadian Government will make a grant to the Toronto Symphony Orchestra so that it could inaugurate the International Arts Festival of Osaka next spring at the invitation of the Festival authorities.

The orchestra, under the direction of conductor Seiji Ozawa, will give a series of eight concerts in Japan following the inauguration of the Festival.

The Minister stressed the exceptional nature of this invitation and commented that it would provide an occasion for one of the most outstanding Canadian orchestras to contribute substantially to the projection of Canada's cultural image.