

*Adjournment Debate*

periodic payments of principal and interest, stretching until 2006 for the Canadian plans. The national president is calling those interest payment contributions "misleading and highly improper". The pensioners do not claim CN is doing anything illegal, just that they are getting a raw deal.

What really irks the pensioners is that because the fund builds at a low fixed rate of interest, CN is able to rake in the difference between that rate and what it can gain on the open market by deferring its contributions. When will the Government take the necessary steps to correct this disgraceful situation?

**Mr. Jesse P. Flis (Parliamentary Secretary to Minister of Transport):** Mr. Speaker, the Hon. Member appeared to have two concerns when he raised his question in November. The first was to allow the Standing Committee on Transport to conduct an inquiry into CN pensions, and the second was to somehow restrict the CN pension fund from making certain investments he found undesirable. He highlighted these two concerns again this evening. Recognizing that his answer at the time was not complete, the Minister of Transport wrote to the Hon. Member shortly thereafter. I would be pleased to table that letter this evening, Mr. Speaker, although it only exists in one official language.

The letter responded to the Hon. Member's concern in what appears to me to be a very adequate way. The Minister pointed out that it was not only the Transport Committee that had an interest in the question of pensions, especially since the tabling of the green paper on pension reform, and that any serious comparison of corporate pension plans proved that railway plans were relatively good. But in that spectrum, yes, there will be those receiving only \$115 a month as the Hon. Member mentions. This is regrettable.

• (1815)

The Minister also suggested that the Hon. Member consult his colleagues on whether and how they wanted to deal with this matter in the Transport Committee. I do not know if he has done that. I was present when this topic was discussed at the steering committee, but I should not divulge in the House the discussions of that committee. If he consults with the Transport critic of his Party, I am sure he will find the reasons and the problems facing the Transport Committee in tackling this very difficult problem.

Finally, with respect to the CN Pension Fund investments, the Minister pointed out that CN's obligation toward its pensioners must be respected, regardless of the performance of individual investments. Therefore, the Hon. Member's fears are totally unfounded.

#### COMMUNICATIONS—PRODUCTION OF PORNOGRAPHIC SHOWS FOR PAY TV

**Miss Aileen Nicholson (Trinity):** Mr. Speaker, the CRTC rules require that Pay TV services must run 30 per cent Canadian content during the first three years. The CRTC rules call for a significant involvement by Canadians in artistic control. The intent was obviously to ensure that Canadian

writers, producers and actors have opportunities to work and gain recognition.

We now find that at least one company in Canada, with a New York producer, is producing shows written in the United States. Since these shows are of the kind euphemistically described as adult entertainment, otherwise known as soft core pornography, they have nothing to offer serious Canadian actors and actresses. The situation is that this company is investing millions of dollars in Canadian funds in an American production, produced for Playboy in the United States. Obviously, this must be a very welcome investment from the point of view of Playboy U.S. because it reduces their risks. However, funds for Canadian productions are very limited and the loss of capital for our artistic community is serious.

When Pay TV was accepted, it was hoped that it would improve the level, content and variety of Canadian programming. In fact, instead of upgrading, this is likely to downgrade what is available. In view of the very competitive situation between the new Pay TV stations, we can expect other companies to try to outdo the so-called Playboy channel. In fact, this is already happening. Last week, an actress in my constituency found that her agency had no work for her of the kind she would accept, but she could have worked on one of seven of these soft core pornographic films.

Pornographic films, by whatever name one calls them, are inexpensive and quick to produce. If these are to count as Canadian content then the companies are free to buy all their serious programming outside Canada. We will then find that work opportunities will effectively be closed to our own creative writers, producers and actors.

The Canadian content rule has not been revised by the CRTC for the last 12 years. In those 12 years the concept of Canadian content has been diluted by practice. There has been a tendency to allow companies to operate with less than what was required, if they promised to improve. I am in favour of negotiation and operating by agreement rather than heavy-handed regulation. It is clear, however, that this has not worked over 12 years and we are now in need of clear rules. The CRTC held issue hearings on Canadian content. It is time for them to act on those hearings.

I would close by saying that this is not a censorship issue; I am not in favour of censorship. We are not talking in this instance about a private citizen who buys a video cassette to view in his own home. The issue as far as I am concerned is the use or misuse of public airways for purposes that are directly in conflict with the expressed purpose of the Broadcasting Act; to strengthen, enrich and safeguard the cultural, political and socio-economic fabric of Canada. In my view the CRTC's duty is clear, and I hope it will exercise it and promptly produce rules of Canadian content, and also enforce those rules with Pay TV companies.

• (1820)

**Mr. Jack Burghardt (Parliamentary Secretary to Minister of Communications):** Mr. Speaker, in response to the very