

*Telesat Canada Act*

in favour of mixed ownership and some cases where private ownership could do an excellent job. In some areas private ownership does an excellent job, but certainly not in the case of a communications system which, in the minister's own words, is of national significance and importance and is vital to the future of this nation.

As in 1934, there are very few in this house who would quarrel with the objective of the corporation. We say yes to a satellite, but the quarrel today is the same as it was then. How shall it be financed, how shall it be run, and to whom shall it be responsible? What are the minister's arguments against having this corporation completely publicly owned? They are identical in some ways with the arguments advanced in 1934 that the expertise for running an organization like the Bank of Canada did not exist outside of the banking fraternity. It was said that if we were going to make the bank work we had to involve the bankers and draw on their vast knowledge and expertise.

This is one of the reasons the minister gives for bringing the common carriers into the corporation. Does the minister really believe this? He is a man who has had vast business experience and is renowned for picking up corporations and putting them on the right path. He knows that if he needs expertise it can be obtained. There are consultants who can be called in by the corporation. People can be hired by the corporation. The corporation could have a management team that could farm out part of the technical work to the people in the technical field in Canada today. I do not see any great problem in terms of expertise. It is a fallacy that we have to give equity ownership in order to get expertise. I find it difficult to believe that the minister would argue that way.

It was interesting to listen to the speech made by the minister yesterday when he talked about this corporation. Parts of his speech were almost lyrical, for instance, when he predicted the future of this corporation and what satellites can do for Canada. You could see the minister looking ahead and you could almost sense the enthusiasm in his voice. His voice was far less convincing when he put forward his arguments about the financing and ownership of the corporation.

The minister knows it will not be long before the corporation will have to become completely publicly owned. Instead of going through this triton arrangement he has put

before the house, I had hoped that the minister would have had the courage to bring about complete public ownership now instead of being dragged into it later as must inevitably happen. I say this because of the conflicts of these three horses all pulling different ways. The common carriers obviously have a conflict of interest. Even if they attempt to resolve their interests in the most honest and diligent way, which I think will be the case, it is unavoidable that they should be drawn in two directions. Do they want the satellite to make money or do they want their interests to make money? How will they act? Will they act to increase the profitability of the corporation or will they act to see that they get the lowest possible rates and make their profit elsewhere? The minister is putting them in a most difficult position which he has no right to ask them to accept.

Private investors have the interest that all investors have. They invest their money and will compare the performance of the corporation against other investments available to them. If the corporation does not provide a rate of return comparable with that of other corporations in Canada, they will withdraw their money. The minister is immediately saddling the corporation with the necessity of producing a dividend and a growth rate at least comparable with that of other investments in the market.

How does the minister reconcile this with the national interest? The national interest may mean that many things have to be done in order to bring the joys of communication and technology to the remote areas of Canada. It is going to be costly. It may not be profitable. How will investors like it when the minister says that the corporation will not make any profit for a while because of the urgent need that Eskimos, trappers and people manning outposts in the northern areas receive the benefits of modern technology? They are going to respond with a very large raspberry. The minister has dealt with investors and should be well aware of this difficulty. Investors want a return. It is going to be very difficult to reconcile the national interest and the interest of private investors. You cannot mix the two. In addition, the common carriers' interest may be in complete conflict with the interest of the private investors and the national interest.

The minister is suggesting an impossible arrangement. I find it difficult to see how