

# HOUSE OF COMMONS

Thursday, January 25, 1973

The House met at 2 p.m.

## ROUTINE PROCEEDINGS

[Translation]

### COMMUNICATIONS

TELESAT CANADA—STATEMENT BY MINISTER ON  
LETTERS PATENT

**Hon. Gérard Pelletier (Minister of Communications):** Mr. Speaker, letters patent issued by my Colleague, the Minister of Consumer and Corporate Affairs, in favour of Telesat Canada, were tabled in the House on January 4. These letters patent pursuant to Section 33 of the Telesat Canada Act provide for the amendment of the corporation's objects to enable it to render service by satellite to and between locations outside Canada and to provide managerial and engineering services to interested parties wherever they are located. At present the Telesat Canada Act gives the Corporation the legal capacity to provide service between locations in Canada.

The letters patent become effective on the thirtieth sitting day after they have been laid before parliament unless before that day either House resolves that the letters patent shall be annulled.

The reason that Telesat service to locations outside Canada is possible, is that the beams from the Telesat satellites, which focus on Canada, spill over and cover adjacent areas such as part of Alaska and some of the contiguous States of the South.

Telesat applied for the letters patent because early last year it saw the possibility of doing some very useful out-of-Canada business. It had been receiving repeated enquiries from American companies who were anxious to use the Telesat satellites. Telesat Canada already has entered into tentative agreements with some of its potential United States customers, and these have been reported in the press.

I would like now to turn to some of the considerations which surround the new development. The first of these are Canada's obligations under the inter-governmental agreement which controls the International Telecommunication Satellite Organization (Intelsat). One of the important provisions of the agreement is that all of the member countries are obliged to give Intelsat—and thus their own investments in it—a measure of protection against the establishment of competing satellite systems which might also be used for international purposes. Thus any proposal that Telesat may make for providing international service will require consultation with the Assembly of Intelsat prior to deciding on its implementation. Here I should explain that "international Service" is

one that is rendered between locations in different countries.

[English]

Officials of the Department of External Affairs, of my department and of Telesat have held several discussions with their counterparts in the United States government on this question and an understanding has been reached on the precise modalities to be associated with the Intelsat consultation.

In the course of the discussions with the United States, both parties realized that it would be useful also to deal with the question of how the Telesat satellites, or future United States domestic satellites, might be utilized, in mutual assistance fashion, to provide services in or to the other country. Examples of possible service involving the United States and Canada fall into three broad categories. The first is a straightforward support to the other country in the event of a catastrophic failure in its own system. The second is the provision of a domestic service within the other country, on an interim basis, when its own facilities have not yet been established or it is temporarily short of capacity. The third is an extension of what is essentially a domestic service across the border to include points in the other country. Such an extension, which clearly is international by definition, would be no more than of an incidental and peripheral nature but it may be of long-term duration. Communications in support of pipelines could be in this category.

In all cases a particular proposal would be subject to the approval of the appropriate authorities in both countries and through this safeguard each country can be sure that its own interests are being served. These procedures and principles have been embodied in letters exchanged in November with the United States.

So far as Canada is concerned, the appropriate authority will be the Minister of Communications pursuant to his licensing powers under the Radio Act. Also, Telesat Canada will have to meet any applicable requirements of other legislation, including that administered by the Canadian Transport Commission. As Telesat moves forward to implement the expanded powers, I know that its board and its management have every intention of ensuring that Canadian interests, both present and future, will have priority consideration in system planning and use and I know that the tentative agreements already entered into so provide. However, in case there is any doubt I am prepared to state categorically that Canadian interests must have priority and that I have the power to ensure that this policy will in fact be respected.

• (1410)

Important in this matter when international communication is involved is the position of the Crown corporation, the Canadian Overseas Telecommunication Corpo-