

funded debt likely be provided by the Government?

Hon. Mr. Desruisseaux: I do not know.

Hon. Mr. Phillips (Rigaud): My guess is that it will be provided by Government.

Hon. Mr. Desruisseaux: By a regulation, that is possible.

Hon. Mr. Martin: Senator Phillips (Rigaud) has always been a good guesser.

Hon. Mr. Phillips (Rigaud): Possibly.

Hon. Mr. Desruisseaux: Honourable senators, through the realization of its own communication satellite, Canada would be taking its place among the nations in outer space. The fact that it is a corporation in which government will be a participant instead of a full owner or a full servant, in our present state of affairs, and taking into consideration Canada's need, is thought to be most desirable.

Many honourable senators may have noted an editorial in the Toronto *Daily Star* dated Wednesday, March 26, 1969. Let me quote from it for the record:

Ottawa could have framed regulations for a privately owned system that would have protected its role in extending Canadian culture—through the licensing of some of the applicants, for instance, or through the operation of the CBC—and in education through the guaranteeing that channels were kept open for this latest teaching aid.

The Government thought it was far better that it participate in the operations of the system from the very beginning and allow private companies to participate along with it. We have had more than enough instances in the past of the problems that arise when the Government tries to intervene in an operation that is not to its liking, or in an operation that fails to meet the national interest adequately.

There is no reason to believe, at this point at least, that the satellite system would not be a financial success. However, whether it will be profitable enough to interest the general public is still to be seen, according to some but not in my view or estimation. By far and away the greatest profit for the country though,—quite apart from the facilities of communications will stem from the fact that

Canadian companies are allowed to participate in the building of the actual satellites involved.

If we were to buy our satellites off the shelves—the United States would be the logical supplier—we could quite likely have to buy something bigger than a country the size of Canada would need, at least at the outset. Secondly, we would lose the possibility of becoming a satellite supplier to countries with similar needs to ours.

Furthermore, we would almost immediately lose the excellent teams of space-age scientists who have been working on satellites and satellite components in Montreal and Toronto for some years now. Possibly some of them would have stayed to work for a Government agency, but the best would likely have gone during the uncertain period when the new agency was being set up.

Just as Canada cannot delay much beyond 1971 if she is to lay physical claim to the relatively small spot above the equator from which a satellite can best serve this country, she cannot hope to enter the space age without the finest scientists, engineers and technicians that interest can buy.

[Translation]

We will go through a fantastic era in communications development, across a vast country where elbow room is not lacking.

Communications will play a special role here in the development of these three million square miles of yet undeveloped regions.

At the moment, the main electronic bridge between the north and south of the country consists of a mixture of tropospheric transmitting systems and high frequency radio systems.

Such tropospheric transmitting, which consists in relaying radio signals by making them bounce off the lower part of the earth's atmosphere, has somewhat limited processes.

The immediate future seems to lie in satellites for fast and cheap transmission of television programs and other communications to areas where the number of square miles largely exceeds that of the inhabitants.

Even in the south of the country, the satellite network will contribute to the terrestrial telecommunication network following the establishment of its network of stations.