

Supply—Transport

extraordinary and enormous measure of good will generally has just jettisoned that good will and thrown it right out the window. I think we are entitled to show a very serious concern for this development because if great institutions which, in the sense I am talking about, are in part national institutions—if these great institutions follow policies which incur ill will, then this affects far more than the particular company concerned. It is a matter of national concern.

If they follow policies, as they have been doing, which result in the lowering of morale on the part of their employees so that there is criticism, as there is bound to be, of the corporate and private nature of the enterprise, then again I think persons who have concern for the over-all structure of our society and economy are entitled to have a real concern as to the effects of that sort of trend.

What I am suggesting is that it is all these factors which must be taken into account by the minister and his colleagues when they consider the appeal now before them with respect to whether or not the C.P.R. is going to be required to reinstate that service. They must take into account the national interest and the right of the people of Canada to demand this service, although in isolation it may not be able to show a profit—especially when there are other operations of the company which do make a profit, operations which they have acquired because of their undertaking to give railway service.

They must take into account this question of the good will and the relationship generally between the C.P.R. and the nation. They must also take account of the morale and the welfare of the employees of this great Canadian company, especially in so far as those matters lie directly within the responsibility of the government. I feel quite certain that if the government gives the proper emphasis to these factors it will come to the conclusion that the C.P.R. should be required to reinstate that service.

Now I want to speak just briefly on the question of television, and government policy with respect to television and its relationship to the use of cablevision. As I understand the situation, there has been a freeze placed on all applications for licences for new frequencies in television channels.

[Mr. Fulton.]

• (3:10 p.m.)

Mr. Pickersgill: Maybe I can clarify that for the hon. gentleman. There has been a freeze of alternate originating channels, not all channels.

Mr. Fulton: I thank the minister for helping me to state the situation correctly. Accepting it then within the terms in which the minister has stated it, this is the point I want to get at, that it has created a very serious problem for operators of television stations who wish to extend their operations and who are confronted with a position where they must decide, as a matter of management policy what they should do with regard to cablevision. This is aggravated by the fact that, again as I understand it—and I have tried to make myself familiar with this situation—an extension of an existing cablevision service does not require an application for a licence of any approval by the government of Canada. That is to say, if there is an existing pick-up station and a cable distributing this service, then the extension of that cable even into other communities does not require any approval by the government of Canada. I am informed that that is the situation.

You will see then, Mr. Chairman, that operators of television stations are faced with a very real dilemma. They have applications for the extension of their services for new outlets—I do not mean satellites, but outlets of a different nature—which are frozen on the one hand, yet they are faced on the other hand with the distinct possibility that others may bring in a service by cablevision, for which no government licence is necessary.

The question then in the minds of these operators is: What do we do? Do we wait for our applications which are frozen and which are simply not being dealt with, or do we join with those who are now operating cablevision services and bring this service into the community instead? When you realize that another important feature of this dilemma is that not only is the matter of extending cablevision outlets not one requiring a licence, but whatever is put over a cablevision system is entirely free of the regulations of the Board of Broadcast Governors, you can see the problem with which they are faced. I am not suggesting this is a simple matter.

Mr. Pickersgill: It certainly is not.

Mr. Fulton: I feel that the government has good grounds for saying that it is not going to modify or make final decisions on broadcasting policy until it has studied the Fowler