

*National Transportation Act, 1986*

to measure the impact of the deregulatory process on such matters as passenger safety, consumers, especially as far as rates are concerned, jobs, the acceptable level of foreign control, and finally, regional development.

Mr. Speaker, I would like to take the next few minutes to try to point a picture which we Liberals want to be as objective as possible of the harmful effects of comprehensive deregulation such as proposed by the Government in Bill C-18 now under consideration at the third reading stage.

I would also like to review some of the most noteworthy comments made on these issues before the transport committee. To some extent, we Liberals want to act as spokesmen for all Canadians whose views were not taken into account by the Minister of Transport when the Bill was being prepared, and later when the Opposition proposed amendments on their behalf. In so doing, we wish to join those Canadians in denouncing a piece of legislation which, while it may have been based on a sound principle, has become very bad in its various provisions.

First, I would like to deal with the issue which is of greatest concern to the users of our various means of transport. In my opinion, when they hear the word "deregulation", people are most worried and scared about the safety issue.

We Liberals regret that this Bill contains no provision to prevent situations which could actually reduce air safety. The American experience has shown that this is a real danger.

I will not refer to trucking safety—I will get back to that when dealing with Bill C-19—which is also a source of deep concern. Nor will I say anything about safety in rail transport because, as we see it, the Government has proved to be utterly unrealistic by failing to provide adequate financial backing to the railway companies, and particularly the two Crown corporations—CN and Via Rail—for which the Government has the responsibility to meet minimum safety standards in the railway sector.

Every week or every two weeks we are told about derailments, we are told about railway accidents, a clear indication that the Government has failed to take urgent action to revamp a defective system.

But here is where our fears are the greatest and what I want to emphasize again, three fundamental observations in the field of air safety. First, deregulation encourages the arrival of new companies on what is supposed to be a free market. Oftentimes these new airline companies have inexperienced workers who have not been properly trained in aircraft maintenance. Second, one of the effects of deregulation is that carriers are forced to exact concessions from their workers, which often results in longer shifts, stress, lower wages and fatigue, so many factors which can translate into human errors. Sadly enough, more carriers does not automatically mean more inspectors.

As we have seen, in 1979 the U.S. Federal Aviation Administration had 2,000 inspectors for 237 air carriers.

Well, five years later, in 1984, it had 1,300 inspectors for 407 air carriers. The same situation is bound to develop in Canada.

The Government is imposing budget restraints on the Department of Transport. Since the number of inspectors will not match the increase in air traffic, it can be expected that the same shortcomings which prevail in the United States will also prevail in Canada.

In our opinion, these three situations speak for themselves. It is inconceivable that these direct consequences of deregulation might lead to anything other than reduced air safety.

● (1920)

[English]

There is more. Indeed, in the U.S. the number of near misses has increased steadily over the last five years, from 311 in 1982, to 776 in 1985. In the first five months of 1986, 305 were recorded, an increase over the same period in 1985. While the number of commercial flights has grown by 31 per cent from 14.7 million in 1980 to 19.2 million in 1986, the number of air traffic controllers has declined by 13 per cent. While the number of aircraft increased by 68 per cent between 1980 and 1984, the percentage of operating revenues spent on maintenance has declined from 8.9 per cent in 1980, to 7.6 per cent in 1984. Clearly that indicates the American skies are not as safe today under deregulation as they were before 1978.

Earlier today my hon. friend from Regina West was asking for statistics. I am giving him uncontested statistics which are a clear indication that deregulation has created a lowering of safety in the U.S., and it is predictable that exactly the same thing will happen in Canada.

[Translation]

Indeed, in the United States air travel is not as safe as it was before deregulation. Accident and mortality rates are on the rise, and I would like to quote Mr. Ronald Cape, President of the US Cetus Corporation, who has this to say: "Commercial flights are less safe now than they were before deregulation". The President of Bache Prudential Securities, Mr. Harry Jacob Jr., stated: "Air travel is now much more dangerous". To us in the Liberal Party, and not only to us but to a countless list of organizations that appeared before the Committee on Transport, the US deregulation experience should have been more closely studied by the Conservative Government. That American experience should have led the Conservative Government to be more cautious before acting with such haste to de-regulate air transport. I cannot understand such haphazardness, such irresponsibility from this Government. I would like to quote from the evidence given by Mr. John Nance, professor, author, and himself a former Braniff Airlines pilot, who appeared before the Committee on Transport. Here is what Mr. Nance revealed, and I am quoting from his evidence before the Committee on Transport: