

have a meal fit to eat in their system of free market forces and competitive economy. So far, even with deregulation, those of our airlines which have survived rank in the top ten in the world. I am very proud of that.

The Government is hypnotized by the idea of competition and market forces. This will inevitably lead to a lessening of competition and a deterioration in the quality, kind and location of service for Canadians. I hope the Government will relent and accept this amendment.

Hon. André Ouellet (Papineau): Madam Speaker, I rise to participate in this debate at this time to indicate that we in the Liberal Party are concerned about the wording of Bill C-18 which seems to be contradictory. The clause which the Member from Regina wants to have removed reads as follows:

(b) competition and market forces are, whenever possible, the prime agents in providing viable and effective transportation services,

It is quite clear that market forces very often diminish competition rather than increase it. The reality is that in certain sectors of the economy market forces are so compelling that the biggest ones dominate the market and can literally wipe out the smaller ones.

Therefore, I fail to understand how the Government, in its national policy on transportation, believes that a national transportation system should exist totally in the hands of market forces with faith that competition will be enhanced. Evidence so far of deregulation in the transportation industry in the United States is to the effect that instead of creating more competition there has been less competition.

The standing committee of the House of Commons dealing with Bill C-18 has received evidence to the effect that the industry is very concerned about the consequence of deregulation on the stability of their industry. I refer in particular to the trucking industry which appeared before our committee and clearly told the Government that deregulation in the trucking industry in Canada will create major turmoil and bring about rationalizations of many of the current operations and that a large portion of the trucking industry in Canada will be either bankrupt or purchased by American companies.

I do not think this will bring about better competition. It will shrink competition in the trucking industry. I submit, therefore, that this clause is contradictory in its wording. I believe that the mover of this amendment is correct when he says that this clause should not be in the Bill because it is not a true reflection of the reality.

It is not realistic to say that competition and market forces are the prime agents in providing viable and effective transportation service. In the airline industry, the railway industry and the trucking industry there have been regulations in the past which have ensured service throughout Canada, in rural and remote areas in particular. In issuing licences the National Transportation Commission was ensuring that service will continue in these areas. If we abolish this commission, people will be allowed to come in and out at will. If they start a service and decide it is not profitable, they will pull out.

Therefore, the public, which was expecting and hoping that through deregulation there would be more competition and service, will find out in the end that in fact there is less service and less competition.

● (1700)

I believe what we are just beginning to see happen in the field of the airline industry is enough to make us understand that it is a very dangerous course the Government of Canada has now decided to follow. Clearly the deregulation of the airline industry has not brought about more competition. It has brought about a major concentration of the airline industry into two groups, the Air Canada group and the new Canadian airline group. That is the reality.

We used to have one major airline in Canada, Air Canada, a significant, almost major national airline, present almost everywhere but in the Maritimes, which was CP Air, five regional carriers and about a dozen local provincial airline companies. Since the Government has decided to deregulate, to allow a total free-for-all in the transportation industry, there have been takeovers and consolidation of operations into two major groups. We have seen the disappearance literally of the small local and provincial airlines. They are now part and parcel of the two large airlines.

In my own Province of Quebec we used to have competition between QuebecAir, Nordair and Air Canada. But we have seen the disappearance of this competition with the existence of only one service. Only one company is now giving us service. With the new rules of deregulation, there is no guarantee that the service will continue in some of these localities. Therefore, I ask myself, is the Government really serious when it introduces an Act respecting national transportation and in the very first clause of the legislation, in the declaration of a national transportation policy, it says that the national transportation system must be the foundation of competition and market forces? This is not the way it operates.

Since Pacific Western merged with Canadian Pacific, we have seen in western Canada the abandonment of some routes by one of the two airlines. Where localities in western Canada used to be served by two airlines, they are now served by only one airline. Certainly, competition will not flourish under this legislation. What is at stake is a dangerous possibility of excessive concentration, less competition and less service for the consumer. I do not think it is very good. I do not think it is in the interests of Canada. Therefore, I will support the amendment proposed by my colleague from Regina.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, at the outset I want to provide perhaps an explanation for those who will read *Hansard* and compare it with the Order Paper of previous days. I would point out that because of the difficulties we have had recently in scheduling House business, particularly when Bill C-18 was to come before us for the commencement of report stage, we found that I was not going to be in town. Half of the amendments proposed by my Party were in my name, whether they were accepted or not,