Some Hon. Members: Agreed.

The Acting Speaker (Mrs. Champagne): Therefore, debate will begin on Motion No. 3 standing in the name of the Hon. Member for Regina West (Mr. Benjamin).

Mr. Les Benjamin (Regina West) moved:

Motion No. 3.

That Bill C-18, be amended in Clause 3 by striking out lines 15 to 18 at page 2.

He said: Madam Speaker, I wish to commence the debate on report stage of this Bill by reminding the House that the Government put closure on the Bill at second reading. Then it put a deadline on the committee, which prevented the committee from holding hearings in places to which it should have gone. The Government put closure on the committee and then it put closure on the people.

Many people wished to appear before the committee to discuss one of the main thrusts of this Bill, paragraph (b) of Clause 3 which indicates that competition and market forces are, whenever possible, the prime agents in providing viable and effective transportation services. My amendment seeks to delete that entire paragraph.

I move to delete that paragraph because, long before this legislation will have been included in the Statutes, already we have seen a substantial lessening of competition in the airline industry where there has been, for the past three and a half years, *de facto* deregulation. There are now only two major carriers when there used to be six large regional carriers and two national carriers. These two national carriers now effectively dominate the market. Competition has been further decreased under *de facto* deregulation because those two remaining carriers have obtained operating licences and operating agreements or have taken over or bought into at least a dozen and perhaps even 20 small local and regional carriers. In effect, the two remaining national carriers control the market.

Before we even began to deal with this Bill, it was shown through Canadian experience that having competition and market forces as the *raison d'être* of the transportation sector does not work, has not worked and is not working now. The same is true in the United States. The six major carriers which used to control about 55 per cent of the American market now control upwards of 80 per cent of it. The number of bankruptcies, mergers and takeovers has substantially decreased competition. One could say the same for the trucking industry, but I will get to that when we deal with Bill C-19. However, there were over 300 bankruptcies just last year alone in the American trucking industry because of the substantial decrease in competition in that industry.

The same is not entirely true of Canada because no one is about to build another national railway. We have enough trouble keeping the two we have going. That has been the case since 1923. Even for the two so-called competing railways, the thrust of the legislation is that a carrier, be it a railway or a trucking company, can decrease competition by using under-the-table deals, discounts, kickbacks and all the things that used to be illegal, all the things that fly in the face of so-called market forces, all the things that fly in the face of competition. That is what has occurred in the United States and that is what will occur in Canada.

Public convenience and necessity still remain the best criteria. We submit that the evidence is already in front of us, staring us in the face and in fact has hit us in the face, regarding the substantial drop in and deterioration of competition in the airline industry. Surely the Government needs no further evidence to tell it that it cannot rely only on competition and market forces in transportation, an essential public utility. It is inevitable that the result will be a decrease in competition, further concentration in a smaller number of hands and a domination of the transportation market, no matter which mode, by a very few. That is not free, open competition and free market forces. When left to their own devices, public convenience and necessity, employment and safety, and the welfare and good order of dozens of communities are not considered. The bottom line syndrome takes over. They will only transport goods and people if they can make a buck, and the bigger the buck the better. If they have to reduce service, eliminate competition, and cut corners in order to survive with the competition and market forces, they will do that in spades if this Bill ever becomes law. There are no safeguards for the shipper, receiver or traveller built in.

• (1650)

In the name of competition and market forces American trucking companies and railroads will be able to do things in Canada which Canadian railroads and trucking companies cannot do in the United States. We have repeatedly pleaded with the Government to put in a safeguard clause stating that as and when that occurs we will take reciprocal action. We ask for at least that much.

Competition is not working in the airline industry. When Air Canada gives a discount fare, Canadian International gives an identical one but some communities are left out. If an airline wants to compete and be party to market forces, it should have to offer the same service to every city it serves. It should not be able to pick and choose to which communities it will offer discount fares to.

My own city, for example, has been left out on occasion. We are not part of Canada. Reduced fairs are offered to Vancouver, Calgary, Winnipeg, Toronto and Montreal and the rest of us pay the full fare or drive to the nearest large city to get the low fare. That is not competition. That is abuse of the travelling public and the rankest kind of discrimination. We are reverting to the days of the railroad barons when people were discriminated against depending upon where they lived or where their production was located.

This is an appeal to mediocrity. The last six times I travelled to the United States I was not on a clean airplane and could not find neat and properly dressed flight attendants. I did not