

*National Transportation Act, 1986*

The Parliamentary Secretary said that we are protected by Investment Canada from foreign takeovers of Canadian transportation companies. Investment Canada is a toothless tiger which encourages takeovers. One only need look at the case of West Kootenay Power, in which an American utility company is taking over West Kootenay Power, a Canadian power company, to the great opposition of the residents in the Kootenays and the Okanagan Valley.

Investment Canada decided on December 24 to simply roll over and play dead and let the American utility company take over that Canadian company for the so-called benefit of Canada. I suggest that the Parliamentary Secretary's argument is unsupportable.

Like many other MPs, last November I received a letter from the Vice-President of Canadian Pacific Railway in which he stated: "If enacted without change, Bill C-18 would preclude the railways from being genuine and effective competitors in the transportation market-place . . ." and went on to say that: "Bill C-18 would place the integrity of Canada's railway system at risk". Perhaps the Government has made some amendments to the Bill since then in order to meet these concerns because it is a serious criticism, certainly of the Hon. Member's speech in which he said this Bill would help the railways. I hope he will respond to that later in the debate.

I want to make the New Democratic Party position clear. The Bill is anti-competitive and will lead to more monopolies. It is anti-safety and will make our transportation system, especially our airlines, less safe. Third, the Bill is anti-service because it will mean less service than already exists, especially when Canadians have come to appreciate a high standard of service in transportation.

Finally, this Bill is ideological. The Conservative Government is attempting to follow the American example without realizing that there have been faults with the deregulation process in the United States, particularly with regard to safety and service. The Conservative Government has also failed to realize that Canada is different from the United States and cannot simply follow American trends.

The Government is enacting this legislation to increase the wealth of their rich friends in the transportation business, not to help ordinary Canadians who will ultimately suffer. Ordinary Canadians will oppose this type of deregulation when they realize its consequences.

We are not against deregulation that is meant to correct overburdening regulations that are administered by many bureaucrats in Ottawa. However, we do not want the pendulum to swing so far that we have a system in which there are a few companies that operate to make a few of them wealthy while diminishing our safety and service.

This Bill would abolish the Canadian Transport Commission and replace it with a much weaker National Transportation Agency that would have no authority over fares, routes, or entry or exit into the industry. It would probably have far fewer employees than the present CTC.

It would replace public necessity and convenience as the test for entry or exit into the industry, and replace it with a fit, willing and able test. It would make it easier for companies to abandon airline and rail routes, and leave remote communities stranded.

It would end regulatory oversight over fares, routes and schedules except in some remote areas. This Bill would allow rail shippers to strike confidential contracts with individual shippers. It would open entry of U.S. rail lines into the Canadian market.

Several articles have been written about the American system. For example, I refer to an issue of *Time* magazine on January 12, 1987. The article entitled: "Be careful out there" states:

The Northwest DC-10 was speeding toward takeoff at Minneapolis-St. Paul International Airport when the warning came from the flight engineer: "There's a whale on the runway!" Another Northwest wide-bodied DC-10 had just left a taxiway and poked its nose into the path of the oncoming plane. "I see it", replied the amazingly cool captain of the departing aircraft. He abruptly jerked his jumbo jet into the air. His wing cleared the fuselage of the crossing plane by a mere 50 feet. There were 501 people on the two jets. They had barely avoided what would have been the world's second worst air disaster, akin to the 1977 collision of two Boeing 747s that killed 582 people on a fog-shrouded runway at Tenerife in the Canary Islands.

What went wrong under clear skies at Minneapolis last March 31? Two air traffic controllers, sitting side by side in the terminal tower, each failed to realize what the other had done. One had cleared the taxiing plane to cross the runway. The other had told the second plane to roll toward takeoff.

The article goes on to discuss airline safety and states that what many aviation experts fear is that:

—what is still one of the safest air transportation systems in the world is slipping dangerously as air traffic grows relentlessly through the unfettered competition of deregulation. The experts voice three major concerns: There are not enough controllers, and too many of them have a low experience level.

That is what has happened in the United States. Second:

We have a lessening of the experience level of flight crews.

That will happen in Canada. Third:

Some of the most economically troubled airlines are deferring maintenance whenever possible, and a few have been heavily fined by the FAA for violating safety standards. The impacts of these varied trends, says Patricia Goldman, vice-chairman of the NTSB, is that there is a "narrowed margin of safety".

The article goes on to state:

—the era of do-or-die rate-cutting competition has pressured carriers to slash costs and take risks.

That is an example of what is happening in the United States as a result of the deregulation that our Government is proposing to follow. Carriers are slashing costs and taking risks.

Let us examine how this affects air safety. The Government states that there will be more economic activity and increased participation in a deregulated environment, where the winners will stay and the losers will go. However, what do transportation companies in the United States do when they begin losing? The examples of that are in the United States. They begin to cut corners.