

*National Transportation Act, 1986*

As I said earlier, the Canadian transport industry is not static. It is indeed a dynamic, developing industry which changes constantly. As everything else, its reactions to change may be good or bad. But the change which we are undergoing is in many ways a technological change. Sometimes, it takes the shape of a competitive challenge from our neighbours south of the border, and it is indeed this change, those developments and those challenges which prompted the previous Liberal Government at the time to review the industry's regulatory framework. In fact, in 1984, my colleague, the Honourable Member for Winnipeg—Fort Garry (Mr. Axworthy), the then Minister of Transport, first suggested that some deregulation might take place in the transport industry. I am saying "some deregulation" on purpose, for what our Government had in mind at the time was the implementation of a more flexible regulatory framework, a framework that would be more in keeping with new economic structures and with the changing face of the transport industry. Our purpose at the time was to set up a regulatory framework to ensure the full development of that industry, thereby improving our competitive position.

But the major difference between us and the current Tory government is that if our policy was future-oriented, it was also deeply rooted in the best traditions of the transport industry in Canada, in both realism and pragmatism which have demonstrated their usefulness in the past.

So, the government is asking us to approve this very heavy and all transforming bill. It had expressed its views in its White Paper entitled *Freedom to Move*.

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Well, *Freedom to Move* means going full speed and without any limitation towards full, urgent and complete deregulation. My colleague, the former Liberal Minister of Transport, on the contrary, had proposed a strategy of regulatory flexibility which we had described as small-step progression. At first, this strategy was directed to the air transportation industry. We meant to soften the impact on the Canadian economy. This Tory government, by electing to change the whole transportation industry all at once, has caused a wind of panic to blow on several sectors of our economy.

I must say that the small-step approach adopted by the former Liberal government had already started to be felt, resulting in a reduction of the rates granted to the travelling public by the airlines of the day.

Guarantees have been provided for services in distant areas of this country to make sure that those with vested interests, such as those held by various airlines, would be protected by the measures announced by the then Minister of Transport.

Well, we need only look at what has been happening for the past two years to realize to what extent the hasty and misdirected action of this Tory government has resulted in a disturbingly large number of small airlines being taken over by major carriers. Also, the trucking industry in Canada is

starting to experience a disturbing concentration. When he introduced his bill, the Tory Minister of Transport told us: the purpose of this deregulation is to favour and encourage competition. Well, both in the air and highway transportation industries, we see the opposite happening. We do not have more competition, but a larger degree of concentration in the hands of a few big carriers, and the danger is clear—more concentration leads to lesser competition and greater disruption of market forces. And needless to say, it is clear the transport industry in Canada is very much concerned by the Conservative Government's Bill C-18.

So, while accepting the major thrusts of the bill, the Liberal position is quite different from that of the New Democratic Party. While the latter want no change, we say: A degree of de-regulation is needed, existing rules must be made more flexible. We therefore support the principle of Bill C-18. But while accepting the major thrusts of the legislation, we cannot support the way it was put forward by the Conservative Government, nor the hasty legislative process chosen by the Government that to us is totally unacceptable and shameful in the circumstances. Indeed, the importance of the transport industry to our Canadian economy's development is clear. The Government itself recognizes that in the policy statement included in Clause 3. And it is because of that basic importance that we feel the Government should have used a much more balanced approach. And that same basic importance leads us also to suggest the Government should have held wider consultations, it should have listened to the many representations it received when it tabled the White Paper, the *Freedom to Move* document, and also when Bill C-18 was discussed. What is unfortunate is that apparently the Government only listened to associations controlled by large, affluent shippers in Canada. Clearly, it should have listened as much and perhaps more so to small shippers, small shippers from the Maritimes and some small shippers from Western Canada who made representations and submitted that confidential contracts for domestic traffic in particular may force them out of business.

When small and medium size business people in Canada appear before a commons committee, they make urgent representations, saying: Be careful, if you provide for confidential contracts as proposed in your bill, this may force us into bankruptcy, please do not do that. It seems to me that a Government that has the public interest to mind, a Minister who finally wants to have the best possible legislation, should listen and accept that kind of representations. We cannot understand that the Conservative Government turned a deaf ear to the many urgent representations made by small and medium size businesses that opposed major aspects of Bill C-18.

Evidently, I do not have to tell you that if the Tories did not listen to small businessmen, they listened even less to the unions which also appeared before the Committee on Transport and made very insistent and eloquent representations about the inherent dangers of the legislation for a number of