

Oral Questions

to \$3 billion. The increase in capital spending will be around 8.7 per cent, of which 12.8 per cent in the private sector, in 1985. This last indicator shows that the private sector is responding favourably to the first steps taken by our Government.

According to a survey, 37 per cent of small—and medium-sized businesses intend to increase their capital spending by the end of the year. Furthermore, 26 per cent of these businesses intend to hire staff and 41 per cent to increase their operating capital.

The estimated value of delivered goods throughout the entire manufacturing industry increased \$611 million between September 1984 and September 1985, an increase of 12.7 per cent.

Retail sales increased by 8 per cent between September 1984 and September 1985.

During the first ten months of this year, the bankruptcy rate dropped 13.1 per cent, compared with the same period in 1984.

These figures show once again that the economy's performance has improved considerably since the election—

Mr. Speaker: Order. I would like to inform the Hon. Member that her time has now expired.

● (1115)

ORAL QUESTION PERIOD

[English]

AIR TRANSPORT

AFTERMATH OF NEWFOUNDLAND DISASTER—EFFECT OF DEREGULATION OF AIRLINES IN UNITED STATES

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, my question is for the Minister of Transport. I would like to take this opportunity to thank the Minister for his prompt report to Parliament yesterday on the tragedy in Gander, Newfoundland, and to indicate to him that I am sure all Members of the House support the intensive and wide-ranging nature of the investigation that he has launched into yesterday's tragedy.

Canada enjoys one of the safest and best regulated air transport industries in the world. I am sure the Minister shares my conviction that we want to keep it that way. I would ask the Minister whether the investigation into the causes of the accident which will deal with Egypt, West Germany, and Gander, will also examine what effects deregulation of the airline industry in the United States has had on safety and maintenance.

Hon. Don Mazankowski (Minister of Transport): Mr. Speaker, I appreciate the support of the Right Hon. Leader of the Opposition and the members of his Party in this very tragic

incident. As the Right Hon. Member knows, the investigation is being conducted under the authority of the Canadian Aviation Safety Board, which is indeed an independent investigatory body. It would seem to me that, given the magnitude of the tragedy, it will be looking at all aspects of this very disastrous accident, and I think it is worthy to note as well that the Canadian Aviation Safety Board has indicated that it will engage in a public inquiry to ensure that all aspects of this terrible tragedy are examined with thoroughness and the utmost intensity.

INTRODUCTION OF DEREGULATION LEGISLATION—REQUEST FOR POSTPONEMENT

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, that is a good answer and I commend the Minister for it. The Minister does, however, propose to deregulate totally the airline industry in Canada beginning in 1986. I understand that he is preparing a Bill modelled after the total deregulation of the airline industry in the United States, which began in 1978.

The Minister was informed by my colleagues, the Hon. Member for Papineau and the hon. Member for Humber-Port au Port-St. Barbe, last Monday night that the Liberal Party would be producing a dissenting opinion on the report of the Standing Committee on Transport regarding the issue of deregulation. Would the Minister agree to delay introduction of this legislation deregulating the airline industry in Canada until such time as there has been a thorough investigation of the effects of deregulation on air safety and maintenance in the United States?

● (1120)

Hon. Don Mazankowski (Minister of Transport): Mr. Speaker, I think it is really unfortunate that the Right Hon. Leader of the Opposition is attempting to cloud this issue. We are not talking about deregulating safety standards in any way, shape, or form in this country.

Some Hon. Members: Hear, hear!

Mr. Mazankowski: We are talking about economic regulatory reform. I have stated time and time again that, if anything, we will be enhancing safety, as has been indicated in the past by the passage of the aeronautics legislation, which is the most progressive aeronautics legislation in the world. We have introduced amendments to the Canada Shipping Act, which, again, has the paramountcy of safety in mind. There will be further legislative measures to strengthen our ability to ensure that safety standards are maintained and understood.

As well, the right hon. gentleman might very well want to look at the record of statistics in the United States, which does not bear out the suggestion he implies that deregulation in the United States has caused more accidents and more casualties. I would challenge him to check the record before he makes such an assertion.