

Motor Vehicle Transport Act, 1986

relations. All these factors tend to make Canadian companies less competitive.

During the debate at the report stage, we expressed the hope that the Minister of Finance, when tabling his White Paper on tax reform, would take this opportunity to consider the serious problems facing the Canadian trucking industry.

● (1620)

[English]

Unfortunately, that was not to be the case. Indeed, there was, for example, no recognition that the Canadian trucking industry was particularly susceptible to U.S. competition and, therefore, ought to have been looked at outside of the larger corporate picture.

[Translation]

On the same subject, I would like to quote from a document sent by Mr. Ken MacLaren of the Canadian Trucking Association to all members of the Standing Committee on Transport:

[English]

If anything, the capital costs allowance comparison information on trucking understates that true advantage of U.S. truckers. Under recent U.S. corporate tax reform a U.S. trucker can now write off heavy duty tractors (Which are by far the most expensive item used in international highway transport) in only three years, not five years as shown in the example.

The attached information was released by Mr. Tom Younan of Price Waterhouse at the CTA conference on tax reform at which Mr. Younan shared the platform with Parliamentary Finance Committee Chairman Don Blenkarn. During the same conference, Lana Batts, Vice President, Policy of American Trucking Associations, in addressing the same audience, referred to the fact that by far the most important gain made by U.S. truckers since deregulation has been under tax reform.

The U.S. trucking industry's relative tax position has been dramatically improved. At one point the U.S. trucking industry was the most heavily taxed industry in America.

From the standpoint of the Canadian trucker, a ten to twenty per cent differential in after-tax return coupled with significantly higher capital cost allowance provisions in the U.S. could be enough to persuade at least some Canadian truckers that the time has come to relocate their international operations. Some are doing so already. Certainly that would be the case if Mr. Wilson follows through on previous indications that he intends to reduce CCA rates.

The Canadian Trucking Association had also asked that compensation for loss of value of operating authority be based on the fuel tax formula base developed for those truckers who could not claim under the existing tax write-offs for good will. There, too, the White Paper was silent.

[Translation]

Mr. Speaker, if the Government had any sense at all, it would rethink its strategy. It is letting an industry that employs 50,000 Canadians... Its 50,000 workers earn an honest living, and their lives are about to be disrupted by the deregulation of the transport industry in Canada. Their jobs are being threatened by the Canadian Government's desire to act quickly. The carelessness of the Canadian Government

could mean a slow but certain death for the Canadian trucking industry.

I therefore believe that this Government is acting quite irresponsibly in trying to further the interests of the big Canadian shippers who have asked for these changes and in jeopardizing the existence, the safety and the very life of many truckers.

The Government might destroy by one stroke of the pen what several generations have given us by building a strong and competitive trucking industry.

Of course, the coalition of shippers wants deregulation. However, just as obviously, Canadian truckers are opposed to it.

In closing, I would like to point out that the Government and the Minister have no guarantee from the provinces that a road safety code will be implemented next year or the following year, or even early in the next decade.

We are therefore going to have to approve in 1987 a piece of legislation which has been imposed to Parliament by the Conservative majority and which will completely deregulate the trucking industry in Canada in the hope that, within the next three or four years, there will not be too many accidents or too many abuses in the system and that, in the early nineties, an adequate road safety code will have been implemented.

In my opinion, the Minister of Transport is acting irresponsibly. He has abandoned all sense of his public responsibilities in forcing us to give passage to this Bill in spite of all the warnings he has had and in spite of the disastrous experience of the United States trucking with deregulation.

The Minister of Transport is acting irresponsibly, and as I pointed out in the case of Bill C-18, within a few years, we in the Opposition will have to repair the damage done and amend this piece of legislation in the interests of truckers, workers in the industry and the Canadian public.

[English]

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, it has been for a number of years that I have had the opportunity to involve myself in the whole question of deregulation of the trucking industry. As a Member of the Ontario Legislature from 1975 to 1977, I participated in select committee study within the Province of Ontario on possible deregulation, and since being elected to the House of Commons in 1984, as a member of the Standing Committee on Transport, first dealing with *Freedom to Move* and then with Bill C-18 and Bill C-19, the twin deregulation Bills of this Government, I find that much of my political life has been caught up in the study of trucking and the rules which apply to it.

I want to say at the outset that I regret seeing once again a Conservative Government—I regret seeing a Conservative Government at any time, actually—moving federally in the same way as it did in Ontario to change the rules of the road.