

*Government Orders*

The result has been an increase in other costs aside from direct contract costs, including dramatic increases in the use of overtime and term employment.

I want to come to some specific examples in a few minutes, but we see that the government has become a prisoner of the dogma of privatizing, downsizing, and contracting out. This seems a little contrary to a stated principle I heard just a couple of elections ago of creating jobs, jobs, jobs. It is truly unfortunate when we hear the government bragging about cutting 13,000 jobs in the Public Service, but with no ability to report to the public whether or not that is saving it money.

Clearly with this government privatization, downsizing, and contracting out is a question of religion, not a question of practical solutions to practical problems.

Service to the public has suffered under downsizing. When it comes to the transportation sector, the removal of resources has been clearly demonstrated to have had a serious impact on safety.

The strain to do more with less is affecting almost every aspect of the Public Service. Transport Canada has been understaffed despite an enormous increase in the demand for supervision of airlines since deregulation. In fact we have increasingly seen airlines self-regulating or self-enforcing the safety standards of this nation with respect to passenger travel.

In July, as just one small example, a study reported that the accident rate of Canada's major commercial airlines is more than twice the rate of their American counterparts. The government should ask itself whether or not deregulation and privatization will improve or worsen such statistics. I suggest that the government's policies will do nothing to help the situation.

I want to refer to a couple of specific incidents which I believe give us concrete cause for concern about how the government manages divesting itself of its responsibilities and passing them on to other people.

First, we have not seen a good history of financial responsibility in divesting and passing over national responsibilities to the private sector. We need only to remember the transfer of Boeing.

Second, when it comes to privatization, I will refer to the privatization of Air Canada. I wish we could replay in the House a tape of Claude Taylor a year ago as he spoke on *Cross Canada Check-Up* about the wonderful things we could do with Air Canada if only he was not hampered by the problems of being a government corporation. The service would be better. The prices would be better. There would be more profit. Everything would be wonderful with Air Canada, if only it were privatized and if only he were left to manage it free from the fetters that the federal government imposed on him.

Here we are just a little over a year later, and where is Air Canada? I can tell of my own personal experiences as a traveller. Prices are up far beyond the rate of inflation. Service has deteriorated. The number of flights available is fewer and fewer. Now we see 3,000 people losing their jobs in a corporation that was supposed to become more profitable, more business oriented, providing better and more service and employing more people if only it got rid of the federal government and its national obligations.

I want to go back to another classic case of privatization. CN Express was privatized a few years ago. We now know that the promises made by the government at that time about protecting people's jobs, protecting people's benefits, and protecting people's rights as employees were nothing but blowing in the wind. It was the government's intention from day one to divest itself of CN Express, to turn it over completely to the private sector, and to absolve itself of any responsibility for the employees who had served CN Express so well. We now have reason to know that there were certainly some questionable practices in the process by which CN Express was privatized and the people to whom it was privatized.

• (1810)

Now, just a few years later, the company is bankrupt. People have lost their benefits. I am dealing with one constituent who had contributed for many years as an employee to a pension plan and now cannot even be told what agreement was made between CN and the purchaser of the company that affects his pension plan and his contributions over many years of his working life. For two years he has been trying to get the information on his own assets and has not been provided with it by this government.