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That is all gone. What we ended up with is a system where the banker made the decision. If you could convince a banker that there was a need for a service and if that banker was prepared to advance you the money, you were in business. Yes, you needed a safety certificate, but the reality we have seen from the Moshansky report is how easy it was to get that safety certificate without going through the proper requirements of assurances of safe operations.

That is the kind of system we went to. In Canada we have gone from three major airlines, Air Canada, Canadian and Wardair, down to two. Initially we saw the emergence of a number of independent regional carriers: Atlantic Canada, central Canada, western Canada, the north. Just as an aside I want to remind the House that the north retained its regulatory regime because the transport committee unanimously recognized that the north was different. There is a different kind of regime north of 60 that allows greater control by the government. However, that is aside from the point.

We now have Canadian Airlines negotiating very seriously with American Airlines for an infusion of equity. As much as 25 per cent of Canadian Airlines is up for sale to American Airlines. Air Canada has suggested if that happens it may have to follow suit. It is the beginning of the end of the word "Canada" in those two airlines.

At the same time, as part of this new regime of competitiveness brought to us by the Conservatives we have ended up having all those regional carriers that emerged in the rush to get in on the bandwagon to make a buck being acquired in some cases 100 per cent, in some cases 50 per cent and other ranges by the two major carriers. We have a duopoly in Canada, an unregulated duopoly.

That has not benefited customers. It has not benefited communities. In terms of customers, they are required to pay even higher prices for less service. A number of communities lost jet service, communities like Sault Ste. Marie, Dryden, London, Windsor, North Bay, Sudbury, all in Ontario, and Brandon, Manitoba, to name a few. They lost jet service. Their replacement service was the smaller, commuter Dash-8 type of equipment, albeit a very excellent aircraft. But when you go from a jet service which has in some ways an elitist feeling about it to a lesser service, in the eyes of those communities their communities have been down-graded; it is no longer the economic stimulator they once had.

The community of Dryden, for example, used to be the regional hub for northwestern Ontario. It was not Thunder Bay. Because Dryden had jet service, it made sense for the smaller northern carriers to base their operations there, or at least to provide connections there up into the far north, to the northern reserves, to Kenora and to other communities in the northwest. As a result of deregulation, Dryden lost its jet service. Even more important, it lost its hub status. That moved to Thunder Bay.

That is a plus for me and my constituents, and it certainly has helped us make the argument for a brand new terminal at the Thunder Bay airport because of the rapid increase in traffic that has occurred there. So we are winners. But Dryden was a loser. It has also had an impact on its economy, because without the jet service, without the ease of connections and the quality of service, the business community is less likely to see Dryden as a place in which to locate. I think if you talk to the mayor there you would find that what I am saying is very accurate.

At the same time, the passengers have been squished into smaller seats. In some cases they have lost in-cabin services. In some cases they do not even have wash-rooms, although that is slowly changing in terms of providing bigger and bigger equipment. So there was a decline in services offered. Yet they were still expected to pay the same to fly from Thunder Bay to Winnipeg on a Dash-8 as they were paying on a jet.

Let me touch briefly on the fares, because I think it is a key element. The government and the promoters of deregulation argue that it is cheaper flying today than it was in 1984. I have a service bulletin put out by the Aviation Statistics Centre from Stats Canada. It shows a year-by-year, in fact quarter-by-quarter change in air fares. It breaks it down between northern economy fare and northern discount fare, southern economy fare and southern discount fare.

When you look at the southern fares, the ones that most of us in this room have paid for by the taxpayer, economy fare since 1986 has gone up around 50 per cent. The Consumer Price Index has only gone up by 27 per cent in that same period. In terms of the full economy fare, the business person who does not have discretion in terms of when he or she may fly but has to get to Toronto or Ottawa today, buys his or her ticket with no discount. That has gone up by 50 per cent, if not more, since 1986.