

*Private Members' Business*

You did not have to prove public convenience or necessity which was the old rule, as long as you could convince your banker. In theory if you could prove your worthiness, then you could operate a scheduled airline.

Justice Moshansky has told us that really was not the case. In terms of Air Ontario, a merger had just taken place. In effect two airlines became one and they brought in new equipment, in particular the Fokker. They did not have sufficient staff to maintain it and to operate it. They did not have sufficient spare parts.

For awhile they were being trained on simulators by U.S. Air and one other carrier, Pegasus. It was another American carrier. That contract was cancelled. So they were training them in the cockpits of the planes on the ground at night in Winnipeg.

Justice Moshansky points out how inadequate that kind of training was. He points out—these are my words and not his—that we had a company that was not in control of its own operations.

At the same time, we had a regulator that did not have enough resources to do the job. Some of us say it still does not have the resources needed. In fact, I have two press releases that came from the organization that represents the inspectors, the Aircraft Operations Group Association.

The release of today reads as follows:

Civil Aviation Inspectors disappointed with Transport Minister's response to Moshansky Report on Air Ontario tragedy.

"Instead of trying to deflect the blame, Transport Minister Jean Corbeil should take the Moshansky report seriously," says Wayne Foy, national chairman of the Aircraft Operations Group Association. "But we welcome the opportunity to work with the Department to implement recommendations of the report that will ensure the safety of civil aviation in Canada."

"Justice Moshansky's report is the first unbiased examination of the effects of deregulation and the cutbacks made in Transport Canada aviation over the past 10 years. He is right on target with respect to the lack of support, training and resources required by aviation inspectors," Foy says.

"Civil aviation inspectors are dedicated professionals, many of whom are essential to aviation safety. We are frustrated by Transport Canada's failure to provide sufficient staff, to train inspectors and to support our work," Foy says.

"One of the worst problems our inspectors face is that management doesn't listen. They only hear what they want to hear,"

Foy says. "If the Minister's comments yesterday are indicative of his basic outlook, we could be in for more of the same."

This organization represents some 500 civil aviation inspectors working for both Transport Canada and the Transportation Safety Board.

These are the people on the ground. These are the front line troops. They know what is happening out there, and they tried to tell their masters that they did not have the resources, that there were not enough of them and that Canada was not able to properly police deregulation.

At the same time in this House and in committee, my colleague, the member for Regina—Lumsden and myself, along with a countless array of witnesses not just from the union side gave testimony. I can remember a witness in Vancouver, an expert brought up from the United States who was very, very familiar with the deregulation experience in the United States, given that happened 10 years before we started ours. Everything he warned us about has happened.

I regret to say that. I do not like coming into this House and saying: "I told you so," because I would rather that things worked well and that the goals that we were aiming for which were lower prices and better service happened. Maybe in a few cases there have been some better services. In some cases there have been lower prices, but overall, I think you will find that there is less service, the cost is greater and it is the Canadian public who is paying for it.

I know I do not have all that much time, but in the few minutes I have left, I want to touch briefly on the future of the Canadian airline industry. We all know that Air Canada, now a wholly-owned private sector company, and Canadian Airlines, which is owned by TWA, are in financial difficulty. One does not have to be an accountant or an economist to understand that. They both are losing money daily.

• (1530)

Canadian Airlines has decided that part of its solution is to link up with American Airlines, not just in terms of an operating agreement, nor just in terms of a reservation agreement, but in terms of an equity position. Air Canada has been working toward an operating agreement with U.S. Air.