

*National Transportation Act, 1987*

Mining, which is a very large part of our economy, also relies heavily on good and economical transportation systems. A big issue in the Yukon recently was that a mine which was closed due to lower world market prices could only open again if economical transportation could be provided. I am suggesting that with deregulation such economical transportation would not have been provided and a number of people would have been put out of jobs because of that.

Our economy is as fragile as our climate. Temperatures range from 35 degrees above zero to 60 degrees below zero. Due to this, transportation routes are the subject of much conversation, speculation and often trepidation owing to floods, snow slides, and the very fact that we are so isolated. The highway is the lifeline of our territory and numerous jobs depend on it.

Parts of northern B.C. as well as Yukon rely on the major airline which goes to only two main communities. Therefore, smaller companies play an extremely important part in relaying goods and passengers between the smaller communities to facilitate mining explorations and to bring tourists to various sites. We are very reliant upon the small chartered companies and smaller airlines.

We know that transportation is expensive. For example, it costs more to go from Whitehorse, the capital city of Yukon, to Vancouver than it does to go from Toronto to Vancouver. It costs twice as much to go from Whitehorse in Yukon to Old Crow, our most northerly community. It costs twice as much to travel within the territory as it does to go outside. Therefore, transportation and the cost of it is frequently a subject of discussion.

The situation of Yukon is not unique in Canada. These characteristics are shared by rural communities throughout the country. Dependence on one major transportation system, high costs, unstable climatic conditions, long distances, and small populations characterize transportation systems in probably 80 per cent of the country. Efficient, economic transportation systems are essential to our survival.

The question before us is how best to achieve a fair system for all Canadians. The New Democratic Party does not oppose improvements to the transport regulatory system. We need less bureaucracy and red tape, better safety regulations and better inspections, but we do not believe that this legislation will significantly address this problem. This legislation is like the referee walking away from the hockey game and saying, "Go to it and we will see who survives".

We require common sense regulations supported by adequate funds for enforcement so that all parts of Canada can benefit from a fair and equitable transportation system.

**Some Hon. Members:** Hear, hear!

**Ms. McLaughlin:** Wholesale deregulation as proposed by this legislation does not do this. It does not take into account the geography and demographics of this country. Canada is not only Vancouver, Montreal, and St. John's, Newfoundland. It is Carmacks, Tuktoyaktuk, Cranbrook, Qu'Appelle, Wingham and many other small towns, not to mention Come-By-Chance. If this Bill goes through it certainly will be only by

chance that many smaller communities will receive reasonable transportation services.

**Some Hon. Members:** Hear, hear!

**Ms. McLaughlin:** While rural areas do tend to have high transportation costs, at the moment we at least have a reasonable degree of service in many areas, speaking particularly of the north. Addressing air service specifically, fares are not currently subsidized by the taxpayer but, because of the test of public convenience and necessity, are paid for through averaging between high and low profitability areas.

Passengers in Toronto are perhaps paying a few dollars extra so that Canadians in less populated areas can pay more reasonable fares—not cheap, simply more reasonable. That is an example of what makes Canada a special country. Our public policies have been—not always and sometimes imperfectly—generally oriented to ensuring that there is some equity for the country.

We cannot be sure of what will happen under a deregulated system. Our system in Canada is very different from that in the United States where deregulation took place almost 10 years ago in the airline industry and seven years ago in the trucking industry. What is the verdict there?

In trucking the number of motor carriers doubled although the amount of freight stayed the same. Therefore, there are twice as many people scrambling to carve up the same pie. There was a 140 per cent increase in federal highway taxes. Insurance rates soared 200 per cent to 600 per cent. Trucking accidents increased 18 per cent in one year alone as drivers attempted to out-race competitors. It is estimated that since 1980 one-third of the trucking jobs in the United States were lost owing to deregulation.

In the airline industry serious concerns have been raised frequently about safety, working conditions for employees causing more stress for pilots and others, and poor route service in less profitable areas. The good news with regard to deregulation seems to be that larger centres receive somewhat less expensive services. The bad news is that smaller centres receive less service and pay more. That is the crunch for rural communities.

In order to give some background to the importance of this I will, if I may, refer again to my riding of Yukon, a place which emanates good sense in that the residents have elected both a territorial New Democratic Government and a federal New Democratic Member of Parliament.

I believe the situation in the Yukon illustrates some of the potential pitfalls in this legislation. In the Yukon there is a very fragile industrial economy characterized by high operating costs and relatively low volume. The majority of our trucking firms, for example, are small owner-operated family owned businesses. Compared to southern firms, even the larger firms are relatively small. The scenario envisaged under the proposal for deregulation could very easily lead to an economy dominated by large firms from southern Canada and potentially the United States. We share a border with Alaska, and what happens there very much affects what happens in the Yukon.