

*Air Canada*

down the list. They pretend that this is free enterprise. We live in a mixed economy with the government supplying the basic impetus which keeps the economy going. Where private enterprise and incentive come in is in retailing and in wholesaling. Who is going to object to that? What we object to is seeing so-called private corporations getting deferred taxes amounting to millions of dollars, taxes which have run into billions of dollars over the history of this country.

● (2207)

We have been listening to some of these right wing Conservatives who belong to the government across the way, a government which the hon. member for Vaudreuil (Mr. Herbert) has said has one of the weakest cabinets we have ever had. What kind of nonsense is it to say that we have free enterprise? Do the few people in the gallery listening to me tonight believe that kind of malarkey? The North American economy and the economy of the western world are underwritten by government. The risk that private enterprise takes is small because the taxpayers underwrite that risk.

About three weeks ago Ottawa sent 310 jobs to Cape Breton as part of its decentralization program. Twenty-six per cent of all civil servants, give or take a couple of percentage points, live either in this city or in Hull. Certainly I favour Hull over Ottawa. This is probably a hateful thing to say, but I think the Frenchmen have been screwed under Confederation in many ways.

As for the United States, 12 per cent of the civil servants in that country live in Washington. Some 6 to 8 per cent of Swedish civil servants are in Stockholm. With this big, centralized government bureaucracy, are hon. members trying to tell me that the basis of our economy is free enterprise? We are not opposed to free enterprise when it comes to buying a suit of clothes or going into a restaurant, but let us admit the reality of today. In one way or another we have a socialistic system.

With so much being underwritten and paid for by the taxpayers of Canada, either through the federal or the provincial governments, it is pure nonsense to say we have any other system. To call it a free enterprise system is so much nonsense. Yet this is what economic textbooks would have us believe.

**Mr. Symes:** Or an ideological straitjacket.

**Mr. Hogan:** The hon. member who preceded me tried to defend private enterprise when it does not exist. As I say, the whole system is underwritten by the government. One does not need a high school or college education, or to be an economist, to recognize that that is the *sine qua non*, the basic premise, of our economy today. We have evolved into a mixed capitalist-government economy. Who in their right mind would oppose that today?

The CNR has made a profit for the first time in 20 years. According to what I have read, the Minister of Transport now wants to sell the CNR because he says it is not making a profit. He says this after the Canadian taxpayers have underwritten that profit. What kind of nonsense is this?

**Mr. Symes:** It is Liberal nonsense.

**Mr. Hogan:** What kind of nonsense is it when a private enterprise firm leaves the Cape Breton steel industry and the federal government then turns it over to the provincial government of Nova Scotia and says, "You guys run it on your own"? Seven hundred thousand people, with one of the lowest income standards in this country, and they ask them to make it a competitive international steel industry! Then it wiped its hands clear of them. The people there have been suffering ever since.

● (2212)

Some are surprised and say to me it is an exaggeration that people are committing suicide because they are unemployed. It is not an exaggeration. These people felt what it was like to be constantly unemployed.

I realize I am getting terribly emotional. However, it is time somebody did.

Does anyone really think that the Indians of this country are inferior? Does anyone think they are the way they are because they want to be that way? Is it not because we have put them on reservations?

We are also putting others who are not red skinned on economic reservations. We are doing this to those in Cape Breton, and are in the process of putting those who work for Inco in the same position. This is a beautiful tale to be told about the multinational corporations.

The Canadian Export Development Corporation goes to Guatemala and Indonesia under the guise of helping the underdeveloped countries. At the same time, the government allows Canadian jobs to disappear. Is that what we need to help the underdeveloped world? What is happening?

Eric Kierans was right. He is a professor of economics at McGill University. He was a cabinet member of this Liberal government and sat in the Quebec legislature. He is no red radical socialist. He is a very well off man. He called it the way it is.

What has happened is that we have a marxism version of the twentieth century happening in Canada and all over the western world. It is not to the extent that Marx said it would happen. However, the government has certainly become the ruling committee of the bourgeois, and the bourgeois in our context is the multinational corporation.

The multinational corporations say they want more, without promising they will create more jobs. The Minister of Labour (Mr. Munro) is supposed to be a friend of the ordinary worker in this country. I suggest that he and other ministers look at the figures of CALURA. They will see \$10 billion to \$12 billion in deferred taxes, with not a cent of interest being paid by the multinational corporations.

An idealistic woman is now head of Health and Welfare. She is trying to scrimp and scrape in order to get the basis for a guaranteed annual income. I will tell her, as Eric Kierans told the cabinet which he had to leave because he could not convince its right-wing people, if they put 10 per cent, which is less than the market price, on the current taxes that are owed,