

failed to realize that we are in real danger of becoming a one-boss economy. It is well-known that most people are resentful and suspicious of all big establishments, big unions, large corporations, large governments and big utilities.

Some people ask, what is the difference between working for a huge company and a large department of government? What is the difference, they ask, in being responsible to a company's shareholders and being responsible to a minister of the Crown? Why worry about huge governments? It is a question of relative size. In a truly mixed economy we do have a choice. As consumers, we can choose among competing suppliers and select those which give us the best value in price and quantity.

Someone once said that competition is the key to the welfare of the worker and the welfare of the consumer; that competition is the protector of the interests of the citizen. The point I am trying to make, Mr. Speaker, is that we are fast losing our freedom to choose between the government employer and the competitive enterprise employer in the marketplace.

● (1450)

Canada is fast moving in the direction of the 50-50 proportions of that famous stew which contained one horse and one rabbit, which is to say that the share of the private sector is steadily shrinking. This kind of thing should be reversed. It is imperative that we strengthen the competitive enterprise system, to enable it to do for us the jobs which it does best. This system has built in checks and balances which government operations lack. Industry, manufacturing firms, including the large multinational ones, are constantly exposed to the healthy cleansing action of vigorous competition in an open economy such as we have in Canada. Competition is the incentive and the force which develops both people and products.

If present trends continue, Mr. Speaker, the state will either operate or control all economic activity in Canada by the turn of the century. When we reach that point there will be only one employer, backed by the full power of government, to ensure that the monopoly cannot be challenged at that stage. One can predict that the one remaining employer will begin to dictate wages and working conditions. This is where we are heading. This is what will happen to us unless we demand that all government programs be confined to those activities alone which cannot be handled in any other way.

If the job can be done in any other way, government should step aside. The government's only job should be to set the rules and ensure that the rules are adhered to. The philosophy of the all-powerful state is unacceptable to the Canadian people. We all like a little freedom to make our own decisions. Further, Mr. Speaker, there are no guarantees that an all-powerful state would remain benevolent.

Long ago, Lord Acton said, "Power corrupts and absolute power corrupts absolutely". Other voices are beginning to echo the same sentiment on the subject of the rights and freedoms of the individual citizen. One person, whose name escapes me at the moment, said, "The transfer of power from the individual to the state is sometimes expressed as moving from the private sector to the public sector. In fact, the truth is that power is being transferred

### *The Address—Mr. Mitges*

to the government and away from the public, not towards it." United States economist, William Peterson,

The problem of containing government power is an historic, universal and external one. . . . A free individual cannot exist in a society where the state controls all means of employment and income.

Richard Needham said in his column recently:

Let Ottawa give real power back to the provinces, then let the provinces pass real power back to the municipalities. Local is beautiful, control is ugly.

On the CBC program "University of the Air," some time ago Professor W. C. Hardy of Alberta told us this:

The world of the Roman empire in the first two centuries is almost frightfully similar to modern North America. As benevolent paternalism and bureaucracy took over, personal freedom tended to disappear. To the cost of bureaucracy was added the expense of the dole.

There was an attempt to combine a subsidy to Italian farmers with charity to needy children. All of these expenditures had to be recovered from the taxpayer. To compound the difficulty there was an adverse balance of trade. The middle class was taxed out of existence. The same principle was imposed on farmers and labour. The welfare state had become a despotism.

History, Mr. Speaker, can repeat itself unless we are vigilant. One of the things which dulls our alarm mechanism is the evident sincerity of those who advocate even bigger governments. They have convinced themselves that they are the chosen keepers of the holy tablets; they are certain that they alone hold the secret of the public good and so are scornful and arrogant of anyone who dares to differ. Another factor is the skill of these advocates in selecting words which act as hidden persuaders. Everything they propose is "social". They call themselves "Liberal minded" or "Liberal Democrats", but they promote the planned state, which means planning the citizen too. Their opponents on the "right" side of politics are neutralized by always being termed "extreme" right.

This word-play is aggravating to those who believe that a liberal person holds that the individual is more important than the state. It is infuriating when one seeking to uphold individual freedoms is ridiculed as a reactionary, especially when the epithet is hurled by those who are actively promoting the centrally planned, all pervasive state, the computerized version of the feudal system. The financial damage done by big, overblown governments, Mr. Speaker, is ever apparent. It is increasingly recognized that inflation is one by-product. The statement that all inflation is either caused or condoned by governments is probably not entirely accurate. Nevertheless, back in 1966 the following statement was made by Professor H. W. Hutt:

Nearly all inflations have been intentional calculated actions of governments. Inflation has been a slow, inexorable transfer of consumer freedom to the state.

In 1968, Arnold Hart of the Bank of Montreal stated:

A substantial share of the blame for the excessive upward push on prices and costs must be assigned to our governments of all three levels.

Earlier this year, John Beare, an economist, pointed out that printing too much money starts the wage-price spiral in motion. He went on to say:

The finger is usually pointed at "greedy" unions and "nasty" monopolists for the cause of inflation. The finger could more accurately be pointed at the institution which gains more from inflation—the government. Bigger government means more inflation.