

*The Address—Mr. Douglas*

Mr. Speaker, may I now turn to the Speech from the Throne, which can be termed a potpourri of warmed up left-overs. This is understandable, because the promises which it contains and which have appeared on at least two previous occasions are just as good as new. They have never been used. They have never been implemented.

There is one note of comfort. It is that the government has at least made reference to the second annual review of the Economic Council of Canada and to the need for maintaining economic growth. In this report the council points out that productivity gains in Canada in 1965, and indeed in the past several years, are below what might have been expected in a period of rapid growth in our economy. Indeed, they have fallen short of what the United States has been able to achieve in the same period. They have fallen short of the gain made in productivity in Canada from 1950 to 1955, the previous period of high economic growth. The Economic Council of Canada placed the issue squarely before the Canadian people, when at page 33 of its review it said:

The most important current problem is to achieve and maintain adequate productivity growth. This is the key to economic growth and to rising living standards for Canadians.

• (9:10 p.m.)

At page 17 of their review the council said:

Thus, on the basis of existing information, a still higher rate of productivity growth would appear to be required over the next five years to attain potential output by 1970.

I remind the house that one of the goals to which the council is referring is the goal of creating one and a half million jobs by 1970. The fact is that our economy is not yet operating at full potential. Our ability to raise living standards, to wage war on poverty and to contribute to the needs of the world's underdeveloped areas depends on our being able to increase Canada's productivity.

There are many factors which are involved in increasing productivity—capital, both industrial capital and social capital; quality of production facilities; specialization; manpower; natural resources. Some of my colleagues will be dealing with aspects of these problems. I want to deal, as briefly as I can, with four important factors in increasing productivity, namely education, manpower training, health and social security.

May I deal first with education as a major factor in promoting increased productivity. The Economic Council in its review finds that although price levels in Canada and the

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United States are roughly equal, the level of income in Canada is about 25 per cent lower than in the United States. This income gap is difficult to understand when one recalls that over the past 50 years Canada has had certain advantages over the United States. First, we have had a larger shift of manpower from low-paid agriculture to higher levels of income in other sectors of the economy. Second, we have had a higher level of capital investment per employed worker. Third, we have had a more rapid rate of increase in population.

The Economic Council maintains that the explanation for the lower level of Canadian income per employed person lies in the educational gap and in the difference in quality of technological skills between the two countries. The Bladen report pointed out that less than one Canadian in ten between the ages of 18 and 24 is attending a university or college, whereas in the United States the ratio is much closer to one in three. The Economic Council points out that the educational gap between Canada and the United States appears to have widened, particularly at the secondary school level during the inter-war years and at the university level during the post-war years. In 1960, 45 per cent of the male labour force in the United States had four years high school education, as compared to only 24 per cent in Canada. In the same year in the United States 11.1 per cent of the male labour force had completed university; in Canada the figure was 5.6 per cent.

We have come to the place, Mr. Speaker, where educational opportunity is not only an individual right but a social necessity if we are to enjoy increased productivity and hence higher standards of living. During the past half century United States productivity has remained ahead of Canada's because the United States has chosen to invest a greater proportion of its resources in education. The time has come for Canada to allocate vast sums of money for academic and technical education at all levels, and particularly for upgrading the educational qualifications of those who are employed in jobs that have been, or are likely to be, eliminated by automation and technological change.

The Speech from the Throne makes reference to scholarships and bursaries, and this afternoon the Prime Minister announced an increase in grants to universities of an average of \$5 per capita. I am sure that this will be welcomed in all parts of Canada and particularly in university circles.