

*Increased Cost of Living*

The minister went on to say that the house would be asked to instruct a joint committee of the House of Commons and the Senate to inquire into inflationary pressures and increases in the cost of living.

On September 9 the house approved a motion as follows:

That the joint committee of the Senate and House of Commons appointed by this house on March 15, 1966, to inquire into and report upon the problems of consumer credit, be instructed to also inquire into and report upon the trends in the cost of living in Canada and factors which may have contributed to changes in the cost of living in Canada in recent months—

I have the honour to be co-chairman of that committee, and I suggest with respect to the house that it has been working rather diligently, sometimes holding five meetings a week and hearing people we feel could make a contribution toward our discussion of causes of increases in the cost of living.

The party led by the hon. member for Burnaby-Coquitlam is represented on that committee, and in all frankness I say that I, as co-chairman, of it am very much indebted for the contributions that that party's members have been making. The hon. member for Vancouver-Kingsway (Mrs. MacInnis), who lately replaced the hon. member for Waterloo South (Mr. Saltsman), who is presently out of the country, on that committee, is making a useful contribution to its deliberations. The very fact that she is making that sort of useful contribution indicates the value that the N.D.P. places on the work of the committee. Yet, while the committee is meeting, and hearing witnesses, and has promised a report on the whole question before Christmas, the N.D.P. suggest that something else should be done.

The fact that N.D.P. members are participating so ably and energetically in the work of the committee indicates a vote of confidence by them in its work, yet the leader of that party comes into this house and, in effect, moves a motion of non-confidence in the committee's work. The amendment he has moved calls for an examination of a redistribution of income. It says in part that "the income of wage and salary earners has remained approximately the same and farm income has fallen as a proportion of the total national income over a period of years..."

The first witness to be heard by the joint committee on consumer credit was Mr. Bob Bryce, the deputy minister of finance, who

gave a long and thorough statement on economic conditions in Canada, and in effect educated the members of the committee to the economic facts of life. I think that the figures which have come to the attention of the hon. member for Burnaby-Coquitlam were contained in a table filed by the deputy minister of finance, showing the percentage compositions of gross national product.

Item 1 in that table shows wages, salaries and supplementary labour income for the years 1949 through to the first half of 1966, as a percentage of the gross national product. In 1949 the percentage was 49 per cent, and it remained almost the same throughout those years. In 1950 it went down to 47.9 per cent.

For the sake of the record, Mr. Speaker, I may as well give a list of the percentages for various years to show how they fluctuated. They run as follows: 48.7 per cent; 50.3 per cent; 50.7 per cent; 49.9 per cent; 49.6 per cent; 49.4 per cent; 50.1 per cent; 49.9 per cent; and the figure for the first half of 1966 was 50.6 per cent. All of these figures would indicate, as Mr. Bryce explained, that the component of the gross national product going to wages and wage earners has remained, for all practical purposes, 50 per cent of the G.N.P. from 1949 through to 1966.

I take it from the remarks made by the hon. member for Burnaby-Coquitlam that he thinks profits went up to great levels during the same period, and that they caused the increase in the cost of living.

Item 3 in the same table indicated corporation profits before taxes amounted to 11.5 per cent of the G.N.P. in 1949. In 1950 this figure rose to 14 per cent. In fact, there has been a good deal of fluctuation in the figure for the various years, but for the last five years the figure was: 9.1 per cent in 1961; 9.4 per cent in 1962; 9.6 per cent in 1963; 10.2 per cent in 1964; 10 per cent in 1965; and 9.4 per cent in the first half of 1966.

• (5:30 p.m.)

This table would indicate that, in so far as the composition of the gross national product is concerned, in 1949 49 per cent of it went to wages, salaries and supplementary labour income and that in the first half of 1966 50.6 per cent went to wages, salaries and supplementary labour income representing an increase of 1.6 per cent.

Over the same period corporation profits before taxes amounted in 1949 to 11.5 per cent of the gross national product and in the first half of 1966 they amounted to 9.4 per cent, representing a decrease of almost 2 per cent.