

Increased Cost of Living

this chamber, is the equivalent of the parliament of Canada. I think the young man should be careful about what he says. I was not quite sure, when he spoke, if he was fighting a provincial election campaign for his provincial premier, because I noted he told us how greatly the educational system in Newfoundland had improved. I am glad to hear that, because if we sent to the hon. member's constituents the third annual review of the Economic Council of Canada, his constituents would be able to read a certain table. They could do some simple arithmetic, to be drawn from that table, which would show something very strange.

● (3:50 p.m.)

In 1965 the average income in Newfoundland was a smaller proportion compared to the average Canadian income than it was in 1961, so this province which is going ahead so well under the aegis of a provincial Liberal government and the Liberal government here seems to be rather like the red queen in "Alice in Wonderland". Perhaps they are not in as good a position as that, because they are running very hard and not even staying in the same place, they are going backwards. The hon. member is quite satisfied with what his government has been doing for his part of Canada. But I am wondering what his constituents will think when they read his speech, and I presume he will send it to them. I should be very interested to go to that part of Canada, which I have never had the pleasure of visiting, and take with me the third review of the Economic Council of Canada. I should like to point out some of these things to them and point out the relevant passages of my young friend's speech.

Mr. Cashin: I should be very happy to invite the hon. member to come to St. John's West. I am sure that he and the people of St. John's West would learn something from his visit.

Mr. Cameron (Nanaimo-Cowichan-The Islands): I am sure that is true.

Mr. Knowles: That is more than can be said for the hon. member.

Mr. Cameron (Nanaimo-Cowichan-The Islands): Let me refer again to the amendment presented yesterday by the hon. member for Burnaby-Coquitlam (Mr. Douglas). I am surprised at the antagonism that has been raised by the suggestion that in Canada we do suffer from a very serious maldistribution of income. I am not going to bandy statistics back and

forth because that is not necessary. We do not need a statistical survey; we do not need a report from some welfare agency to know that there is a gross maldistribution of income in this country. All we have to do is walk through some of the poor areas of our cities, including the capital city of Ottawa; all we have to do is look at the sort of housing these people live in; all we have to do is read about the conditions that obtain in the large metropolitan areas of Canada, to know that this is a fact. I am sure that a walk through some of the streets of these areas, or even a drive through some of the rural areas of Canada—perhaps in the Atlantic provinces—would reveal the fact that all too many Canadians lead stultifying lives in deprivation in this atmosphere of an affluent society in which we live. Any attempt to deny that is, to my mind, a refusal to face reality.

More important perhaps from a general economic point of view than the fact that we have 20 per cent to 25 per cent of our people in this so-called affluent society living under conditions that have been described by accredited welfare agencies as conditions of poverty, and perhaps even more important for the future and for our plans to deal with the situation, is the gross mis-allocation of resources in Canada.

I always wonder when we are told, as we were told not long ago by the Minister of Finance, (Mr. Sharp) that we have reached almost the limit of our productive capacity and that all our resources are occupied in the production of goods and services, whether we are not confusing the shadow with the substance. I often wonder how anybody could suggest that all our resources are being used. I asked some questions of the Governor of the Bank of Canada and the President of the Banker's Association about this matter within the last few days I asked them how they determined that we had achieved an overheated economy, to use the words of the Minister of Finance. I asked them about the yardsticks they used.

The situation finally boiled down to this. There were two yardsticks used; one was the level of employment and the other was the cost of living index. I pointed out to those witnesses that the level of employment tells us nothing. It merely tells us that a certain number of people in the country are employed at certain jobs. It does not tell us the type of jobs and it does not tell us how much those jobs contribute to the national wealth or welfare. All that tells us is that a certain