

Social and Economic Security

In 1945, production amounted to \$12 billion and consumption to \$10.8 billion. Capitalization totalled \$1.2 billion, that is another 10 per cent of consumption. The mean capitalization was kept at 10 per cent.

In 1960, production amounted to \$36 billion and consumption to \$27 billion, that is a level of consumption of 75 per cent. Capitalization stood at \$9 billion. The latter went up therefore from 10 per cent to 25 per cent in 15 years.

In 1971, production amounted to \$90 billion, consumption to \$54 billion and capitalization to \$36 billion equivalent to 40 per cent of consumption.

A balance was struck in 1944 when capitalization stood at 10 per cent. In 1971, it jumped to 40 per cent. We are over capitalizing and this is where the minister should intervene. As can be seen, the more we produce, the more we capitalize and the less we consume. Consumption, as a result, is tremendously reduced.

All efforts are directed toward production, capitalization and productivity to the prejudice of consumers.

From 1934 to 1971, we have been through depression, war, prosperity and inflation, and we have now returned to depression, unemployment and increasing poverty. In the face of an ever increasing and potentially unlimited production as evidenced by the experience of the last 40 years, it becomes urgent to pause, to stop and even to reverse the trend immediately to avoid the catastrophe which becomes imminent day after day.

Let us focus our attention on the 1971 statistics and see how the abundant production of this year is divided between consumption and capitalization. Once again, the gross national production amounts to \$90 billion. That is wonderful. The consumption stands at \$54 billion. We consume 60 per cent of our production. There is therefore a deficit in consumption. We capitalize \$36 billion, namely 40 per cent of our consumption. That is too much. A breakdown of capitalization gives the following: \$6 billion comes from individuals and \$30 billion from corporations.

Before capitalizing too much, we should consume enough. That is what the minister never understood, that is what he should learn because it is possible to balance our economy, to capitalize less and to make more products available to consumers, so that consumers may benefit by the national production and the production surplus.

A study of national accounts shows clearly the pattern of national economic activity, under the supreme authority of the government, that has the overall control of production, distribution of production in consumption and capitalization between individuals and corporations.

• (8:50 p.m.)

After all the economic operations for the year 1971 are in one can see that individuals capitalize only \$6 billion after paying their expenses and taxes. Corporations capitalize \$30 billion annually after paying their administration and operating costs and their taxes.

Those results are not accidental. They are forecast and calculated in advance according to methods known to experts but often unknown to the population, the underprivileged and working classes which are more and more deprived of the benefits of increased national production.

To illustrate this, may I say that the production in 1926 stood at \$5.15 billion and that the basic tax exemption was \$1,500. May I also point out that in 1971 when production totals \$90 billion, or \$4,200 per capita, the tax exemption compared to the production is \$1,000. Since 1926, the tax exemption went down from \$1,500 to \$1,000 and there are some who say that we are doing much for the population of Canada when the cost of living has perhaps increased by 200 per cent compared to the gross national production. So the working man in increasingly deprived of the product of his income as he sees his tax exemption being steadily reduced compared to the national production per capita.

From 1929 to 1933 the tax exemption was equal to three times the national production per capita. In 1970-71, it is only one quarter of the national production per capita. During that period the situation has deteriorated to the extent that the tax exemption decreased from three times more to four times less than the national production per capita. That is the reason for unemployment and poverty.

Accountants, economists, administrators, and ministers are all in a position to appraise these computation methods and the prejudicial impact they have on our national economic balance while the people's buying power is steadily eroded and production is forever increasing, at least as far as production costs are concerned.

With the same national production per capita since 1944, that is to say when the family allowances were established, they have always been set at \$6 and \$8 per month for children from 6 to 14.

From 1944 to 1971, the national production increased from \$11 to \$91 billion and no way has been found to have the 7 million children under 16 enjoy it although they make up one third of Canada's population.

I am blaming not only the minister but also the government and all hon. members for failing to see this problem clearly and for not distributing the surplus production in proportion to the consumers' needs.

Whether the per capita production be \$1,000 or \$4,200, family allowances are set at \$6 and \$8. And now, in connection with the family allowances, the government is wrangling with the provincial governments; there is talk of taking from those who already do not have enough so as to give to others. In fact, no solution has been found to this problem. Again it's utter nonsense while our poverty level and our troubles are increasing and when we can but forecast an even more serious situation in the future.

The 1971 national accounts therefore show that public and private companies have capitalized \$30 billion for the future, that is one third of the current year's national production after paying their administration costs and taxes. The time has come to open our eyes and realize that the best things, even in moderation, can become dangerous. Indeed, a \$30 billion capitalization on a \$90 billion production is obviously exaggerated, especially when consumption is lacking on the part of the dependent citizens short of personal purchasing power and having to rely on the productive citizen or on society in general to keep alive.

Thank God, these are not haphazard results. They derive from a well planned orientation, from a scientific technology devised and directed by experts and university