This is an economic phenomenon that has been observed in other countries and in other periods. It is really quite surprising, I would say, that this proportion should be so stable, and the proportion between this income and the net national income at factor cost, for that matter.

The relative decline of the farm income has had some influence on line 1; and the smaller decline but still a decline, of unincorporated business income has some influence.

The thing which is surprising, and, I suggest, important, is the division of the gross national product between labour and capital, so to speak, as a reasonably stable proportion, over the long run—a remarkably stable proportion—and it shows up here in these figures.

It changes from year to year as between labour and capital, as is evident in the chart to which I referred a few minutes ago, the first table appended to these tables, of wage costs and gross profits per unit of output.

As you can see from that chart, the profit element fluctuates around and below that line for wages costs per unit of output. This relative stability in the relationship is one of the quite interesting observations out of economic statistics, which may have some bearing on what one can hope for as a result of changes in the labour market and efforts to raise wages, and things of that sort.

I offer it to you at this time simply as a statistical observation, without trying to draw too much in the way of conclusions for it. It is a phenomenon that has been noted by economists a good deal in the past. They told me they had a conference on it in 1961 in the United States, to see what inferences and implications could be drawn from it.

That is the chief item, sir, in this table, that I think is worthy of note.

The other thing of course is the way in which the proportion of profits has varied somewhat in the short term.

Part of the variation there is between the capital consumption allowances, which have been a higher proportion since 1955 than they were before. I explained that point earlier on.

The decline of the proportion going to farm operators shows up clearly in these percentage tables—with the exceptions of course, of the fluctuations, say between 1961 and 1962, and between 1965 and 1966, here.

I do not know that there are any other things I need draw attention to in this table.

Mr. CAMERON: Mr. Bryce, you were saying that you were not going to attempt to draw any conclusions from the remarkable stability of the share of total wealth production that has gone to wages and salaries. I would like to draw a conclusion and see whether you would agree with it.

Would you not say, Mr. Bryce, that this reveals the fact that there has been a determined—and, so far, completely successful—effort to contain the share that wages and salaries draw from total wealth production, despite an immensely rising wealth of productivity, and that in itself may be one of the causes of the problem that we are facing here?

Mr. BRYCE: I find it hard to say that there has been a determined effort on the part of the thousands of producers who are involved—the tens of thousands.

Mr. CAMERON: The evidence is here on the sheet of paper we have in front of us.

Mr. BRYCE: This happens in other countries as well.

Mr. CAMERON: Yes.

Mr. BRYCE: I think what lies behind this is that prices, according to the economic analysis we used to use when I, at least, went to university, and I suppose it is still used, are determined essentially by cost, both marginal cost