

Correspondence on Surcharges

Some of the material put on record by the hon. member for Kootenay East shows this to be true not only with respect to one province but with respect to the country as a whole.

I shall indicate some of the answers given in the twenty fourth parliament with respect to the productivity of Canada from 1955 onward. I should like to put on record the figures for the period 1955-61 as reported in *Hansard* on February 12, 1962 and on October 4, 1962 in reply to questions. May I have the leave of the committee?

The Deputy Chairman: Does the committee give consent for these figures to be printed in *Hansard*?

Some hon. Members: Yes.

Mr. McCleave: I assume these are answers to questions. Where do the answers come from?

Mr. Matheson: It is question No. 116 reported on February 12, 1962. It was this question: "What is the production per capita together with the percentage change for the years 1956-61?" The ministry returned a complicated table giving the answer in current dollars, in constant dollars and then on a per capita basis. It is the summation of those figures I seek to put on record.

Thank you, Mr. Chairman.

[*Editor's Note: The table above referred to is as follows:*]

Year	GNP in constant (1957) dollars per capita
1955	\$1,849
1956	1,959
1957	1,924
1958	1,884
1959	1,904
1960	1,897
1961	1,893

May I say that from 1955 to 1956, our gross national product per person in constant dollars in Canada increased from \$1,849 to \$1,959, a sharp increase. This was the type of development evident over a period of years. Then there was a sudden decline. In 1961 we were down to \$1,893. In other words, after six years we had dropped \$66. When we compare this with what has been happening in almost all the countries of western Europe we find we are a laggard nation. What are we going to do about this?

There has been a lot of experience in distant parts of the world. I have been impressed by the various books which David Morse, a friend of the hon. member for Essex East has written with respect to automation. It is David Morse's conclusion that there is no evidence outside the United States that

automation causes unemployment. In Europe, labour shortages have occurred precisely in those areas where there has been the greatest measure of automation and the greatest attention given to the introduction of new ideas and equipment. He illustrates his contention by pointing to the United Kingdom where, for instance, a large drug store chain introduced office automation in 1960 with great success. In France, a re-equipment program for the French national railways has resulted in the introduction of a variety of automated devices which have saved expense and made service both faster and safer. Automation is also used in marketing yards where television, tape recordings, telecommunications and remote braking have improved efficiency to a marked extent. In the Soviet union, he says, there can be no doubt that progress in automation is one of the first economic objectives.

My hon. friend from Kootenay East drew my attention to an article in tonight's *Journal* where Professor Presgrave of the University of Toronto school of business is reported as saying:

If man ever is a slave to a machine, which I doubt, it is to the primitive machine—the plough, the hammer and sickle. The computer is the symbol of the supremacy of the intellect over the inanimate—in old-fashioned terms, the triumph of mind over matter.

We have not only to address ourselves to this problem in a twentieth century manner but we must do so more effectively than we have done in the past. There are difficulties facing Canada which did not face us even a few years ago. We are facing the results of our economic stagnation, which has been reflected in loss of growth of capital equipment, loss of consumption and chronic unemployment. This problem is not one which would be solved by adopting a different way of distributing what we already have. The cake itself must get larger, and the only way it can get larger is by taking our limited population and putting it to work with the best equipment in the world and in the areas where there are the greatest natural opportunities. This is going to require complicated adjustment, but it can be done. In Europe they have done it. Ludwig Erhard has given evidence that to improve the standard of living quickly it is necessary not to divide up the national product but to multiply it. It is time in Canada that we not only added, but that we multiplied. We can do it.

One of the things which has been disturbing in connection with this study by the hon. member for Davenport called "Troubled Canada"—

Some hon. Members: Oh, oh.