

This increased output of consumption goods by a smaller working force can be accounted for in part by longer hours of work, favourable crop conditions and the abnormally small number now employed in private capital development and maintenance work. Another important factor, however, has been the improvement in production techniques worked out under the stress of war.

What are we to expect after the war? This is what he says:

After the war, some of those who are now employed will voluntarily withdraw from the working force, and the armed services may be maintained at a level considerably above their pre-war strength. It seems likely however that at least 4,700,000 workers will be available for employment in civilian jobs, or at least 1,500,000 more than the number employed in that sector of the economy at the present time. A working force of this size, at present rates of efficiency, will be able to produce a vastly greater volume of civilian goods and services than Canada has ever known before. By the same token, a vastly increased volume of consumption and capital development will be necessary if this output is going to be fully absorbed and high employment maintained. The adjustments required will clearly be of unprecedented magnitude, and bold planning on the part of labour, farm and business organizations, as well as governments, is urgently needed.

I see no sign that there is any bold planning. Industry says, let the government keep out of business, but there is no indication that industry is willing to plan on the magnitude that will meet the needs of the people with this tremendous power in their hands. The government hesitates between letting industry do it and doing something itself, and it does nothing.

In two or three sentences I wish to draw to the attention of hon. members what I consider to be the imperative implications of the situation confronting us. It is this: if the products of industry are not consumed as either capital or consumer goods, unemployment is sure to develop. If private capital cannot or will not make the necessary investments—and they have never been able to do so—then there are only two alternatives for this government: either to permit production to slow to a stop, or else to take effective steps to increase the consumption capacity of the people, and particularly of those in the low income brackets.

We cannot forever continue to make investments at even the present rate. That, however, should not be something to fear or worry about; it should be something to look forward to with pleasure, because it should mean that we can at last have more of the good things of life.

In case my time should run out I wish to move an amendment to the amendment, seconded by the hon. member for Melfort (Mr. Wright):

That all the words in the amendment after "the calendar year 1946," be struck out, and the following substituted therefor:

(1) by raising sufficiently the exemptions of those in the lower income brackets;

(2) that the budget fails to provide for the investment of public funds to bridge the gap between anticipated private investment and the total national investment required to assure a high national income and full employment;

(3) that the budget fails in the new offer to the provinces to provide for social security measures which will achieve a reasonable standard of economic security for all Canadians;

(4) that the budget fails in its tax proposals to recognize the principle that cooperatives are non-profit-making organizations.

This brings me to the third factor or stimulant or hope mentioned by the minister as an offset to the decline in war expenditures. At page 2903 of *Hansard* the minister is reported as having said:

The third offset to the decline in our war expenditures has been a substantial increase in the expenditures of consumers. At present a great many consumers have on hand large reserves of savings which they accumulated during the war, and some of which they wish to spend when the goods they want become available.

That there are large reserves of savings in the hands of Canadians is quite true, but there is not nearly as much in the hands of the people who are eager to spend it on consumer goods as we are sometimes led to believe. Savings deposits in the chartered banks are perhaps our best criterion as to what people have to spend, and also as to the people who have it to spend. A return of classifications of loans and deposits in the chartered banks as at October 31, 1945, shows that at that date 5,616,712 depositors had total savings of \$2,991 million, and to-day the deposits are some \$400 million greater. Let me analyse those figures for a moment. It will be remembered that I gave the number of depositors as 5,616,712. Those with \$1,000 or less on deposit numbered 4,968,655, so that nearly 5,000,000 of the 5,616,712 had \$1,000 or less. They had an aggregate of \$862 million, or an average of \$173.50 each. So we see that the greater number of the Canadian people have very little to spend. As a matter of fact I could give figures to show that the great mass of the people have no savings at all. I would like to examine the other categories, but I shall mention only the last one. There were 819 deposits in excess of \$100,000, totaling \$347,798,839, or an average deposit of \$424,662. These are the people who have money to spend, but they will not be spending it on consumer goods. They will be spending some of it on luxury goods and some on investments, if they can find a place to invest it. I should be very glad if the house would allow this table, taken from the report, to be included in the record.

Some hon. MEMBERS: Agreed.

Mr. MacINNIS: The table is as follows: