

1948 to 1953, as well as in the period 1953 to 1957, the increase in fixed investment in Canada has been at a somewhat greater rate than the average of the other nations. Furthermore, in the year 1957, the percentage of the gross national product expended in Canada in fixed investment was the *highest of all the principal nations*.

In spite of this, although the gross national product per capita grew between 1948 and 1953 at a rate approaching the average of all the nations listed, between 1953 and 1957 the growth in the gross national product per capita in Canada has been the *lowest of all the nations listed*—amounting, over this period, to the very depressing figure of only 1%. This compares with an average growth for the other nations listed of the order of 15%. For a young country with the immense growth potential of Canada, this is a fact that no Canadian can afford to accept, other than with the gravest concern.

The reason for this stagnation is that, over this period, we in Canada have been trying to pay ourselves wages, salaries and social benefits in excess of what we can afford. In the process, we are successfully pricing ourselves out of our own internal markets, as well as the world markets, and so losing volume and consequent productivity. A continuation of this trend can only lead to disaster.

Very truly yours,
H. B. Style,
President,
John Inglis Co. Ltd.