

The Address—Mrs. Wadds

1965-66, the C.B.C. needs \$97 million. And so it goes with the C.N.R., the Seaway Authority and Air Canada. It will be said that these companies are facing unusual difficulties, and so they are, but what company is not facing unusual and great problems when competing in the whole world market? I submit that the ratio of financial success of one in five government-backed projects does not augur well for the success of the Canada Development Corporation. I cannot imagine shrewd clear-thinking Canadians risking their hard earned money on such a nebulous gamble. This leaves only those who through no fault of their own are less financially experienced and feel they should be able to trust the government.

It seems to me, Mr. Speaker, that nature has about its same percentage of good and bad, idealistic and opportunistic, whether inside politics or outside politics. It seems to me from considerable experience that the competition and counterchecks of the open market demand nearly as much honesty as the confusing labyrinths of government departments.

I have dwelt at some length on this one point because I was alarmed when this financial fantasy was proposed during the last parliament and I am more alarmed that it is still being promoted. Legislation of such far-reaching consequences needs a great deal of thought and study and I hope some of the dangers I have mentioned will be considered and thought through before it is too late. We cannot afford to use what capital we have for investment in extravagant gambles. Today we have the highest cost of living in Canada's history and we are enjoying and expect one of the highest standards of living in the world. Already it is estimated that 12 per cent of personal income tax in Canada is taken up by welfare costs compared with a corresponding 7 per cent in the United States. It is also estimated that those individuals living on savings, pensions or fixed incomes have lost over the last three years at least 7 per cent of the real value of their incomes due to a complicated and inflationary eroding of benefits. Such tendencies do not make for confidence and other countries cannot have the confidence in us that we might wish. Surely the recipients of vastly extended government protection must themselves begin to ask where this is all coming from and on what it is based.

Last Thursday the Prime Minister (Mr. Pearson) stated during his speech that in 1960-61 the expenditure on old age security

was \$592 million and that in 1970 it is expected to be \$1,600 million. The Leader of the Opposition (Mr. Diefenbaker) on the same day spoke of the alarming extractions being taken from the Canadian people. The burden of the Canada Pension Plan on the employer or person operating his own business, he said, is 1.8 per cent, totalling \$500 million to \$600 million per year. In addition, the 11 per cent sales tax on building materials and production machinery continues to weigh most heavily on the small businessman. Is it any wonder that we have such an exodus of our keen and aggressive young people to the United States, an estimated 700,000 in the post-war years? This exodus, Mr. Speaker, is further compounded by the number of scientifically trained people entering the United States and giving their last place of residence as Canada but who were born elsewhere. This means that their education has been paid for by the Canadian public or the taxpayers. However, when the time comes for a return to the economy and our society, these people find greater opportunities and incentives elsewhere.

I have always been one to urge greater federal expenditure on education for research in education and the greatest possible attention to it, but it does seem to me that coupled with this attention there must be more attention given to stimulating personal enterprise here in Canada. The removal of the 11 per cent sales tax and the restoration of the National Productivity Council as a forum for representatives of labour, management and government would be steps in the right direction. These steps have been urged by the official opposition.

In addition, the great industry of agriculture, particularly the dairy industry which is so important to eastern Ontario, needs more effective attention. I was never enthusiastic about last year's interim dairy support policy which was most cumbersome and delayed deficiency payments until March of 1966. I strongly recommend that the much vaunted aim of \$3.50 per hundredweight of milk be raised this year to \$4, as repeatedly promised during the election campaign. Here again we must consider the already mentioned need to create incentive and encouragement to our young people. The production of milk was down last year but the most serious statistic, it seems to me, is the fact that the number of milk cows across Canada was the lowest in 45 years.