

# STATEMENTS AND SPEECHES

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## INDUSTRIAL RESEARCH AND INDUSTRIAL DEVELOPMENT

An address by Mr. O.J. Firestone, Economic Adviser, Department of Trade and Commerce, delivered to the Annual Conference of the Provincial Governments Trade and Industry Council, Lindsay, Ontario, September 23, 1952.

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... I wondered a little at first why a group as eminently practical as your Trade and Industry Council wanted to hear a talk on and discuss the subject of research as it affects industrial development. Perhaps there are two good reasons for your interest in this subject.

The first is that industrial development is getting more complex in Canada and basic and applied research are becoming prime requirements of economic advance. The second reason might be the changing pattern of your own responsibilities - the shift in emphasis from salesman to technician and business adviser.

### Rate and Diversity of Canadian Industrial Expansion

For the first half-century after Confederation, agriculture and other primary industries were the main source of income and employment in Canada. But two World Wars, a stepped-up rate of accumulation of domestic capital, development of low-cost sources of power, a rapid advancement of managerial and technical skills, and significant engineering and technological progress have changed the structure of the Canadian economy profoundly. By the end of the First World War, the dominant role of manufacturing industries in terms of output was well established. They continued to grow by fits and starts until now manufacturing industries are Canada's