

Forestry Department

challenge by maintaining our present percentage of exports, then we shall have to more than double our exports in the next 15 years. To hold our present percentage of world exports will mean facing tremendous competition from other countries. If we are to meet this challenge, then there must be co-operation of the highest order among governments, industry and workers.

In this respect, Mr. Speaker, I notice in a recent article in the *Montreal Gazette* of June 27, 1960 entitled "Newsprint Mills Seek Continuous Operation" that the two lead paragraphs bear directly on this problem of co-operation. I read:

Canadian International Paper, in the negotiations concluded earlier this year secured the unions' acceptance of Sunday operation of newsprint mills after May 1, 1961, and the eastern Canada newsprint group which bargains for several mills in Ontario and Quebec, has secured the unions' acceptance of it in principle. The other mills in eastern Canada are also working toward continuous operation and should have no difficulty in securing the unions' agreement to it. All that remains to be done is to secure the approval of provincial and church authorities.

Then the next paragraph goes on and discusses the general economy of the pulp and paper industry in so far as operations are concerned. I am again quoting from the article in the *Montreal Gazette*:

Continuous operation will permit valuable production economies and is justified on that score alone. Canadian operations are increasingly feeling the pinch of rising production costs and intensifying price competition from abroad. Production economies, however, are secondary in this instance to the urgent need for more production capacity. The latter has been achieved in recent years by accelerating production but the potential here, for the present, has largely been exhausted. The alternative to continuous operation is an increase in the number of mills and the expansion of existing mills.

This quotation from the article in the *Montreal Gazette* indicates the co-operation that is building up between management and the workers, and if the management and workers are prepared to work out ways and means to meet the competition in this very lucrative market of the future, then I say that governments can do no less.

Under this bill it will be seen that the federal government's contribution is chiefly in the form of research. The chief reason for federal support of expansion in research in forestry and forest products lies in the fact that the federal government has for many years accepted the responsibility for leadership in this field. It has done the same thing, I think, in the fields of agriculture, mining and fishing; consequently at the present time the federal government is the only agency which has research organizations capable of reasonably rapid expansion.

A second reason why the government's contribution is in the form of research is that the federal government is in a preferred position to maintain satisfactory liaison with the forestry and forest products research in foreign countries. A third reason is that the federal government can best arrange for nation-wide distribution of research findings. Fourth, the range of subject matter and scientific disciplines involved in progressive forestry and forest products research is so great that no agency in Canada except the federal government could maintain a comprehensive and well-balanced program.

Forests are the responsibility of the ten provinces, and I hope some day in the not too distant future of the new provinces of the north as well. In six of the ten provinces the expenditures on forestry, forest management and protection are greater than the revenues those provinces receive from the forest resources.

Three provinces now maintain forest research divisions. British Columbia has 19 officers; Ontario has 15 officers and Saskatchewan has 3 officers. In the case of British Columbia and Ontario those field officers for the most part work singly out in the field in close relationship with the administration of the forests in those respective fields. Therefore they cannot, regardless of how valuable those contributions are, build up the type of organization that lends itself to the development of the type of comprehensive program of forest research that we need in Canada.

We have the four university forestry schools. None of those schools is in a position to maintain full-time research officers. Some of the professors do carry out useful research projects during the summer, and some support has been given to post-graduate research. The universities are in a position to make very valuable contributions to the form of basic knowledge that we need in Canada, but they are quite unable to accept responsibility for comprehensive research programs, the like of which I think we have to do, in forestry and forest products in Canada.

Then you may ask what about the lumber industry itself. The lumber industry is composed of more than 6,500 lumber mills—that is the ones, at least, that report to the dominion bureau of statistics—and of those only about 200 can be considered as large. Many of the remainder are quite small. In addition there are about 4,000 wood-using plants; nearly all of those are quite small. There is no truly national association that represents all these lumber mills and wood-using organizations.