

Supply—Forestry

bill which brought this department into being. As he put it very clearly and dramatically, this is Canada's biggest industry, and because of the peculiar circumstance of the division of jurisdiction the problem of the Department of Forestry has to be dealt with in a peculiar manner.

I intend to come to that part of my remarks at the end, but on this first item, I am going to go back, if I may, to deal with one or two of the subjects the minister raised before I go into the peculiar characteristics of running the forestry department. I think the house sat and shared its sympathy for the minister in the problem of research personnel. No section of the government of Canada has more being done in it than the forestry department, and with less personnel.

The job of a minister in fighting for his division, branch or department, as the case may be, is to present the facts with all his skill and with the hope, as the minister said, that his colleagues will see the virtue of putting support behind this particular type of operation. I hope that the dreams we had when we started the department over three years ago will not fail to be realized. We hoped we could double the research personnel in five years, but this is far from being accomplished. We hoped we could extend the extension services into every nook and cranny of the forest industry, not only among the large, integrated operations that exist in the industry but right down to the smallest saw mill operator in any part of Canada.

We hoped three years ago that we could bring to the provinces some of the leadership that seems so necessary at the chaotic level of the marketing arena. I do not think there is any question that in the management of these resources by the provinces—because under the constitution they do have ownership and the right to control these resources—each of the provinces has done a particularly fine job. So, there is no question of complaint as to the responsibility. But the fact remains that we no longer are dealing with an industry which has a problem of marketing within the provinces, but are dealing with an industry where the world demand factor is growing steadily, and the work done by the forestry committee of FAO has demonstrated over and over again that this demand factor is rising.

It is true that sometimes over a period of five to 10 years there is a drop in demand because of temporary over-capacity to produce in relation to that demand, but eventually the long term curve takes hold and the

[Mr. Hamilton.]

future demand for our forest products, particularly on the pulp and paper side, is exceptionally bright. But because our organization is such that theoretically we have 10 separate management organizations this emphasizes the necessity of the federal government, with its particular interest in the marketing of these products, to try and bring the 10 governments that manage these resources together, in some sort of arrangement where they work together to achieve the opportunities that are there. I would be interested to hear from the minister some sort of report of the meetings that have been held between the federal government and the provincial governments, because it is in this field that there is so much to be done.

I think the minister would agree with me we have no complaints on the score that the federal government has stepped up the money to the provinces under the agreements entered into. As the figures show, the amounts have jumped from \$3 million to \$8 million a year in aid to the provinces under five different types of agreements with them, starting out with inventories and going down to stand improvement agreements. But even though this is a good start and is draining a considerable portion of the money from the department, there are still major problems on the production side.

I think the minister is aware of the Kennedy royal commission report in 1947 and the Ontario conservation report some five years ago, which indicated that some six million to eight million acres of Ontario farmland should be transferred over to the forestry side of the economy. As a person who is interested in all resources I naturally hoped that this type of operation would come under the aegis of agriculture, because in the intensive type of production that will be required in the future, the farmer is the logical person to do that type of work. What I am suggesting is that here we have the leaders of thought advocating that this has to be done, and by all the rules of good land management the forestry use is the best use of land which in many areas is marginal.

Therefore I would like to hear what progress has been made in working out with the province of Ontario some form of much more rapid progress in tackling this problem of reforestation in that province. We here in Ottawa live in the centre of the Ottawa valley and we know that on both sides of the river the problem is the same. This is one of the first areas in which the reforestation program should be stepped up. When I mention the province of Ontario, naturally I do not overlook that this also applies with equal weight to the provinces of Quebec,