

Interdepartmental Committees are formed for the purpose of bringing together the best advice available within the Government. These Committees consist of senior government officials and their recommendations go forward to Cabinet whenever necessary so that an appropriate government policy can be formed. Such interdepartmental committees do not, of course, remove the necessity for a great deal of basic investigational work being done within departments directly concerned with a proposed development and the examination of a proposal may involve the use of outside technical assistance or opinion. On occasion a Royal Commission may be appointed to report on the merits of a particular proposal, as in the present Royal Commission on the South Saskatchewan River Project.

Within government departments there are a number of activities directed to primary development which are in the main decided internally, although the policies on which they are based have been established by Cabinet. This is particularly true of the Departments of Agriculture and Fisheries. Economic development is facilitated by scientific aid and in addition fairly large-scale special projects are undertaken. On the whole these activities are handled through departmental channels in close liaison as far as expenditure policy is concerned, with officials of the Department of Finance. However, the procedure is flexible. For certain fisheries areas, special developmental committees, on which both government and industry are represented, have been called into existence. Within their terms of reference these committees can make recommendations to provincial governments and the Federal Government, as well as to management and labour.

The Crown corporation provides another means of dealing with certain types of governmental business activity or of carrying out policies respecting economic development. As in the case of housing, the policy may have important social objectives although the economic implications are also significant. In this particular field, a Crown corporation, the Central Mortgage and Housing Corporation, is responsible for policy and administration and answers to Parliament through the Minister of Resources and Development. The Board of Directors has a widely representative membership and includes a senior official of the Department of Finance. The advantages of the Crown corporation in this particular type of operation are two-fold. In the first place a Crown corporation can be organized and managed in a fashion more appropriate to the execution of what is essentially a business operation than can a government department. In the second place, the Board of Directors are men who form the nucleus of a closely-knit group of senior civil servants in constant touch with a wide range of activities and can therefore bring to bear a measure of control at once flexible and informed.

It was stated at the outset that the extent of government participation in economic development was subject to constitutional limitation because of provincial powers and that it was relatively small compared with the vast amount of economic development flowing from private initiative. In this country the belief that government should create the conditions under which private initiative will continue to assume the major responsibility for business activity and economic development is very deep-rooted and hence the most significant developmental work of the Federal Government