

*The Address—Mr. Pepin*

Economic Council of Canada, for example, says:

It is the innovation process—beginning when management decides to move from research and development into engineering and all the succeeding stages—which bring new products, processes and services into use, and contributes to growth.

There seems to be a fairly general mood in Canada in favour of practicalism that I believe is reflected in the direction taken by the federal government's scientific research and development policies.

The third point I would like to touch on very lightly, Mr. Speaker, is the public administration aspect of the question of research and development. Senator Lamontagne has said, "We cannot simply promote and stimulate change in science and technology. We must organize it." Of course, I agree with him entirely.

Here again, major changes are taking place in terms of trying to build up the best means of co-ordinating our efforts. As you know, the science secretariat was established in the Privy Council office to advise the cabinet on science policy matters and to assist the administration in the co-ordination of scientific activities within the government. Subsequently the Science Council was formed as an outside advisory group for the purpose of providing immediate and long-range advice to the government.

Further changes have recently taken place. For instance, the director of the science secretariat has been appointed chief science adviser to the cabinet. The Privy Council Committee on Scientific and Industrial Research has become a standing committee of cabinet which sits weekly and reviews all important new proposals and undertakes major assessments of existing programs.

The question of whether we have the best administrative system for our scientific efforts is often asked. What we really have now, Mr. Speaker, is a combination of decentralization and centralization. We have decentralization in the sense that initiative is left most of the time in the hands of the individual departments and agencies concerned. For example, research on meteorology is initiated by the Department of Transport, who should know best what is needed. At the same time, a certain amount of centralization is obviously necessary. This is why I have mentioned the recently created co-ordination media, for example the appointment of a chief science adviser to the cabinet and the fact that we

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now have a standing committee of cabinet on scientific matters.

But do we have the best system? I do not know. Different countries have different systems. In England they have a Minister of Technology whose authority has been further expanded recently and now controls virtually all scientific and industrial activities. The United States has a very complex system which could be described as a combination of a decentralized system, such as we have, with co-ordination provided in the office of the President through a scientific adviser. Actually their system is not very different from ours.

It seems to me that the need for a certain centralization and a certain decentralization can be defended. We have here again the possibility of using the old Canadian compromise. I repeat, it is for each country to find its own solutions and the way best suited to administering its scientific research and development having regard to a special internal condition. This is what we are attempting to do in Canada, but we will certainly benefit from the coming reports on the study of the Canadian situation made by OECD and the special committee of the Senate led by Senator Lamontagne. I am awaiting these reports with anxious curiosity.

Mr. Speaker, I hope I have given a fair account of the efforts of the government to improve its research and development policy, to develop proper programs for industrial research and development and to provide the organizational framework necessary for the efficient implementation of these policies.

**Mr. Walter C. Carter (St. John's West):** Mr. Speaker, at the outset I should like to extend to you my respects and best wishes as we enter this new session of the 28th Parliament. I believe the mover and seconder of the Address in Reply performed their task exceptionally well and I should like to congratulate both hon. members.

I think it is also conventional to congratulate hon. members of this House who since the last sitting have received promotion in their public careers. I offer my best wishes to those of my colleagues on both sides of the House who have been promoted. In particular I think we should congratulate the two new Ministers without Portfolio who in my opinion will serve their country well. Their qualifications are so compelling that to have them in his cabinet the Prime Minister (Mr. Trudeau), a very frugal man, has been willing