

*Government Organization*

to changes in technology and to changing conditions in domestic and export markets, to help them rationalize and restructure their facilities and cope with exceptional problems of adjustment.

Already the Department of Industry has responsibility for a variety of programs to this end; for example, the Industrial Research and Development Incentives Act, known as IRDIA, the Program for the Advancement of Industrial Technology, known as PAIT, Defence Industry Productivity, known as DIP, the General Adjustment Assistance Program, known as GAAP, the Automotive Assistance Program, and so on.

• (9:10 p.m.)

When my estimates go before the Committee on Finance, Trade and Economic Affairs we will have a chance to review the implementation of these programs. These programs will be developed and modified as needs and priorities dictate. Our assistance programs and services will be oriented to product and process development, to the greater use of industrial research, and the application of advanced technology and modern management techniques. Actually we have studies leading to the improvement of some of these programs and to the possibility of establishing new ones. We shall continue to encourage and promote the utilization of improved industrial design and the application of sound industrial standards, design and standards being another responsibility of the department.

Through these various means, such as research, development, modernization, industrial design and industrial standards, it is hoped to stimulate greater productivity and a major expansion of innovative activity in Canadian industry and thereby to enhance our productive capacity and our ability to compete in domestic and in foreign markets.

It will not be enough simply to stimulate research and development. The process, if it is to yield results, must be carried through to the point where the benefit is gained in terms of profitable marketing of new products, and all that that means for employment and growth. Here again, the international services of the department will advise the domestic services.

I would have liked to say more about exports and something about wheat and the relationship between the department and the Wheat Board, but time will not permit me to

[Mr. Pepin.]

do so. Up to now, I have emphasized the fundamental and compelling economic rationale for a combined approach to the related problems of industrial development and trade at this juncture of Canada's growth and evolution toward a balanced and mature economic society.

The case for the now merged department would stand on that ground alone, but there are other advantages to a single department that may be mentioned.

First, the business community will be able to reduce the number of points of contact it must maintain with government and so increase the efficiency of its liaison. This central point of contact will also facilitate a more complete and rounded appreciation of business problems and business needs within government. Already an advisory council has been established, has met once, and will be concerned with both industrial development and trade.

Integration of the two departments will also contribute to the avoidance of possible duplication of activities and will permit financial and personnel savings to result from the reduction in common services and overheads. I might mention at this point that there will be a saving of 184 positions.

Integration will also bring improvements in the interflow of information as between the elements which made up the predecessor departments and between users in Ottawa and in the field, both as regards marketing and industrial development and commercial and industrial intelligence generally.

*[Translation]*

Mr. Chairman, if this is all true, the question will surely be raised pretty soon: why a single department in 1969 and two in 1963? I imagine that question will likely be put to me.

At the outset of my comments, I mentioned that industry, trade and tourism must keep face with, and even foresee, the evolution of the economic environment and of technology.

This line of reasoning is as good for the government as for private enterprise.

A formula can prove expedient at one time and inadequate later, when circumstances have evolved.

That is naturally a theme which the Prime Minister often brings up when urging us to review the situation. Some seem to wonder at the number of reviews in which we are involved at this time, but I, for one, often say