

*Forestry Department*

a separate department of government, presumably under a separate minister, consideration should be given to the transfer to this department and to the establishment within it, of a marketing service.

This is all the more important because it is quite clear that while the markets for forestry products are going to grow in the world, if these reports which I have mentioned are any indication, the competition for these increased markets is going to be greater and greater. We have already had some indication in the last year or two of how that competition is increasing from the Soviet union, which has begun to make its impression in world markets in forest products as it did in the early thirties. Competition is increasing from the Scandinavian countries and from Finland, and it may not be long before we have new sources of competition. It certainly will not be long before Australia and New Zealand are self-sufficient in the production of most forest products which they need.

As the minister pointed out, the main function of the new department will be research. That is of course a very important function, and no one would desire to diminish its importance in any way. Research into such things as the uses of wood in home construction, the uses of wood residue, the uses of wood for containers and matters like new techniques for the manufacture of plywood; all these things require research, and the importance of that does not have to be elaborated. But while research in this field as in other fields is of extreme importance, it does not in itself imply heavy and complicated responsibilities with respect to administration and policy.

That is why, Mr. Speaker, we on this side felt when we were discussing this matter at the resolution stage that while a case can easily be made out for a separate department of government, perhaps it is not so necessary to have a separate minister, with all the expense which goes with a separate minister and his establishment, heading that department as his sole administrative responsibility. I still think perhaps that is not necessary. The standing committee on mines, forests and waters in its report last year recommended that a deputy minister "be in direct charge of the new department", but it did not suggest that a minister should preside over that department as his sole and exclusive responsibility.

We have in our present governmental set-up illustrations of the effectiveness of having two departments of government under the responsibility of one minister. We have the Department of National Health and Welfare with a national health division and a

welfare division. They are separate departments of government under the one minister, both departments being quite as important in their administrative responsibilities—perhaps some might argue more important in the complexity and difficulty of their administration—as this particular department of forestry might be. We also have the same situation in the Department of National Revenue, where we have a taxation division and an excise division.

We have two ministers, then, presiding effectively as far as the administrative set-up is concerned over four departments of government. We on this side believe that the same arrangement could be made without any loss of efficiency and without diminishing in any way the importance of the department; in the interests of economy we believe that the new department of forestry with its own separate deputy minister and its own departmental establishment could, without any loss of effectiveness, be brought under the present minister, say, of mines and technical surveys.

That is our attitude toward the second reading of this bill. We shall vote for this bill setting up a separate department of government as a recognition of the importance of this industry to our economy, both its present and its potential importance. There is nothing, however as I understand it, in the bill—and the minister can correct me if I am wrong—which would require a separate minister. It would be possible under this bill to establish a new department of government in charge of a member of the government who is also responsible for some other department such as mines and technical surveys. I hope the government will give consideration to this. However, that is a matter of government responsibility, and irrespective of what is done in this regard we are in support of and will vote for its second reading.

**Mr. H. W. Herridge (Kootenay West):** There is an ancient Arab proverb which says that to survive, all men must hold hands. In the opinion of this group this legislation makes it possible for the federal government, provincial governments, industry and other organizations and individuals across the country to hold hands in order that our forest heritage and industry may survive and grow.

Before proceeding, I may say that I was very pleased with the substance and the tenor of the minister's remarks and particularly with his analysis of the research situation and his recognition of the contribution the pulp and paper industry has made in connection with the research carried on in their branch of forestry, and his hope that