

Forestry Department

of employment, something which is, of course, very much in all our minds at this time.

Finally, this report stated that during that same period up to 1980, exports of forest products might well approximately double. That would bring them to a valuation of about \$3 billion per year. In other words, of the total annual production estimated in that period to 1980 of \$4 billion, \$3 billion of that \$4 billion might be production for export. That shows the importance of this possible development not only in terms of employment but in terms of export and national income.

These figures may seem somewhat optimistic. I hope they are not. However, some justification has been given for that optimism by a report which has already been referred to by the minister and by the Prime Minister, namely the report of the food and agriculture organization of the United Nations on future world demand for pulp and paper and newsprint. That report, to which the minister has referred and which have studied, I must say gives some basis for optimism as to the future development in this industry in Canada, and also some basis for legitimate concern that the industry should be in a position to take advantage of this development.

The figures given in this report of the food and agriculture organization of the United Nations, some or which the minister quoted this afternoon, are indeed very impressive. We all know that our forests constitute renewable resources. We all know also—and we can benefit by the study of some of the reports made on this matter in the United States, particularly the Paley report of some years ago—that they can be rapidly depleted without an adequate program of research and sound management. Private industry has made great progress in these matters and has already implemented long term programs designed to achieve the maximum utilization of these resources.

However, it remains true that this cannot be done by the industry alone, and that the help and assistance of the government is needed in order to carry out these programs effectively. That is one reason we support the establishment of a new department of government which will increase and extend co-operation with industry and between the federal and provincial authorities concerned in this matter, a co-operation which of course need not and is not intended to affect in any way, shape or form the jurisdictional rights of the provinces over forestry.

Another reason that could be advanced for collecting our federal forestry activities under one agency, however it may be established, is the obvious need which the minister has

[Mr. Pearson.]

pointed out this afternoon for greater co-ordination and perhaps more efficient integration of existing federal services in the field of forestry; and this bill, I gather, seeks to do just that. It provides for the integration of the forestry branch of the department of northern affairs and of certain divisions of the Department of Agriculture into a new department of government, a department of forestry.

The minister will correct me if I am wrong, but I think he stated that the forest biology division of the Department of Agriculture will also be transferred to the new department. I also hope that consideration will be given to the transfer of the entomology and plant pathology research activities of that department, as I believe was proposed last year by the standing committee on mines, forests and waters. We feel that now we are setting up a new department by this bill as many as possible of the existing services in this field of forestry and forest products should be put into this new department, and that as many as possible of the services now being extended by the federal government should be integrated and co-ordinated in this one department, because after all that is the reason for setting up a new department of government.

Notwithstanding what the minister said, although I recognize the argument he advanced and its validity from his point of view, I still think that there is a good deal to be said for extending the work of this proposed new department to include the marketing of forest products. I think I am right in saying that the standing committee last year, the report of which the minister has referred to more than once, did recommend that a marketing section should be added to the new department of forestry "to aid the Department of Trade and Commerce in the merchandising of our wood products".

I know there exists, as the minister has pointed out, a special service of the Department of Trade and Commerce which deals with this matter, and I know that division of the Department of Trade and Commerce gives the same effective service in the marketing of forest products that the department gives in the marketing of other Canadian products abroad. Perhaps there is a precedent, however, in the Department of Agriculture, for the establishment of a separate marketing service, because there are special agricultural trade commissioners serving abroad, as well as commissioners of the Department of Trade and Commerce who deal with agricultural products where there is no such agricultural trade commissioner. Therefore I think that as we are setting up