

Government Organization

The word "forestry" comes second in the name of our new department, Fisheries and Forestry, because here we are confined, in the case of forestry, largely to the role of research. The federal government's role in research is very important. The industry of ideas, research, in effect, knows no boundaries. It is therefore important for us to do collectively, and without regard for our provincial boundaries, as much research as we can at the national level.

But when it comes to the administration of our forest resources, the provinces are paramount. It is up to the provinces to say which trees are left alone and which are cut down. It is up to the provinces to say which companies do, and which do not, get tree farm licences, and so on. It follows that the protection of this resource, in the sense of the prevention of disease, insect damage and forest fires is basically a provincial responsibility, even though the federal government may from time to time help out in this respect.

I have said that the federal role in respect of forest research is a dominant one. It is big relative to that of the provinces. The federal government spends, roughly speaking, one dollar on forest research for every dollar that the industry spends on research and development. For every dollar the federal government spends on forest research and development, the provinces collectively spend about ten cents. So, the federal role in respect of research and related development is a large one indeed.

The federal government's forest research bill adds up to about \$18 million per annum. This figure appears small at first glance when compared with the total value of our forest products, which currently is about \$5 billion per annum. In other words, less than one-quarter of 1 per cent of the national income is being spent by the federal government on forest research and development. One half of one per cent, is the figure for government and the forest industry together. This figure is low compared with many industries. It is low compared with agriculture, which in this country spends about three-quarters of one per cent on research. In the case of mining, the comparable figure is 1 per cent or roughly double the forestry rate. In the case of secondary manufacturing, it is about 3 per cent. In the case of certain growth industries such as the chemical industry and the electronics type industries, the figure is upward of 5 per cent of their total sales which goes to research.

[Mr. Davis.]

• (8:10 p.m.)

To repeat, in forestry we spend about one quarter of 1 per cent federally and a comparable figure is spent by industry, totalling one half of 1 per cent of the gross sales of the forestry industry. So, the total effort in Canada on forestry is low relatively speaking, and as compared to other industries and even the federal effort which is roughly half the forestry total, is small in over-all industrial terms.

Now, I should like to turn to fisheries, where our research effort is a large element of the departments responsibility but is not the total picture because, in the fishery, where we have national pre-eminence we are responsible also for conservation, for management, for processing and often for marketing as well. Confining my comments for a moment to research, the federal effort mounted through the Fisheries Research Board and through the Department of Fisheries itself is of the order of 5 per cent of the gross sales of the commercial fishing industry in this country. So, you can see that the total research effort in the fisheries area is much greater proportionally than it is in forestry.

As I have said, the responsibility of the federal government in the fisheries area includes development. We spend in total about \$50 million a year on fisheries. This \$50 million should be viewed in the context of the total output of the commercial fishing industry of about \$400 million. In other words, roughly \$1 is spent by the federal government on research, development, conservation, management and so on, as compared for every \$8 of total sales of the product. If I were to confine the calculation to raw fish, to the fisherman's income, the ratio would be one in four. So the federal taxpayers role in respect of the commercial fishery in Canada is a very substantial one indeed.

The roles of the federal department include inspection, which is very important particularly in connection with the maintenance of the quality of fish. The good reputation of fish as a food is dependent on quality and hence on our inspection service. This is true especially in the case of freshwater fish caught mainly on the prairies and in respect of a number of our groundfish products on the east coast. The Department of Fisheries, particularly in recent weeks through the fisheries price support legislation, has also entered the market to a greater extent than ever before. As a result of legislation which was passed recently, a federal agency is being set up to