

## THE SENATE

### SPECIAL COMMITTEE ON SCIENCE POLICY

#### EVIDENCE

Ottawa, Wednesday, October 9, 1968.

The Special Committee on Science Policy met this day at 10.00 a.m.

**Senator Maurice Lamontagne** (*Chairman*) in the Chair.

**The Chairman:** Honourable senators, this is the first public meeting of the Committee on Science Policy since it was re-constituted by the Senate on September 17. I am pleased indeed to inaugurate this new series of hearings by welcoming Mr. Maxwell Mackenzie, who was prevented from appearing before us last spring by the dissolution of Parliament.

Mr. Mackenzie has had a most successful career both in industry and in the public service. He is a chartered accountant by training. In 1939 he joined the Foreign Exchange Control Board, and in 1942 he moved to the Wartime Prices and Trade Board. In 1944 he went back to his firm, McDonald, Currie and Company, but the following year he returned to Ottawa to serve as Deputy Minister of Trade and Commerce. In that capacity he had a long and close association with the late C.D. Howe.

In 1952 he became associated with Celanese Corporation of America, and in 1954 he became President of Canadian Chemical and Cellulose Company Limited.

In 1963 he was appointed—and I think I had something to do with this—to the Board of the Economic Council of Canada, and he became Chairman of the Council's subcommittee on Industrial Research and Technology.

In 1966 Mr. Mackenzie was appointed Chairman of the Royal Commission on Security.

I take it, honorable senators, that you have not had an opportunity to read the brief that Mr. Mackenzie wants to submit to us; and, if my assumption is correct, I will ask him to go over it and then we will have the usual question period.

**Mr. Maxwell Weir Mackenzie** (*Chairman, Royal Commission on Security; Member of the Economic Council of Canada*): Thank you, Mr. Chairman. I was very pleased to receive your invitation to attend this meeting of the committee, and I am delighted to be here today.

I am not sure that I can add much to your deliberations on this very important topic, but I have had some experience with what is called a science-based industry, in the course of which I have come to hold some views that I think may be of interest.

As the chairman has said—I think he has made it abundantly clear, and I want to make it clear—I have no scientific or technical background at all. I am a chartered accountant by profession, and I spent the war years here in Ottawa, and I later became the Deputy Minister of the Department of Trade and Commerce. The Canadian operation of Celanese Corporation, with which I was associated for the last 15 years, comprised a pulp and lumber operation in British Columbia—Columbia Cellulose Company Limited—and a chemical and synthetic fiber complex in Edmonton now known as Chemcell Limited. I retired from these activities in 1966, and completely severed my connection at the end of 1967.

I am glad the chairman mentioned the Economic Council, because the subcommittee that I chaired published a report in 1965 entitled: "A General Incentive Programme to Encourage Research and Development in Canadian Industry." I think it would be worthwhile for your staff to review that report, even though the Government did not accept its recommendations. I would like to draw your attention to the composition of the committee. There were four members of the Economic Council, and we brought in six outsiders with considerable experience in the practical management of research. The committee included the presidents of Imperial Oil, Noranda, Domtar, Canada Packers, and Canadian General Electric, as