

Forestry Department

to keep their contacts with the main scientific institutes of the Department of Agriculture. I believe this can be achieved.

Those in the house who know a great deal about forest losses from fires, insects and diseases I think will readily recognize that the losses from forest diseases and pests are much greater than they are from fire. Hence the work of this division of the new department will be extremely important.

Mr. Speaker, I have given to the house the economic reasons for setting up the new department, and have discussed some of the principles behind the bill. I have referred to some of the criticisms made by the official opposition in the hope that by looking at this bill as a new step forward by the government, we can draw support from every part of the house with enthusiasm for the good it can do for Canada.

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, with a great deal of what the minister has said in his interesting statement on this bill there will be no disagreement whatever. There can be no question in the mind of any hon. member about the importance to this country of forestry and the forest industries, or indeed of the desirability of the government doing everything it can to support and strengthen this industry.

I happen to come from a constituency where the importance of forestry and forest industries with regard to employment and income is as obvious as it is great. It is also quite true that in the immediate future there undoubtedly will be a new and great challenge facing that industry, both in respect of the management of our forest resources in co-operation with provincial governments, in the search for new markets to meet the competition which is bound to develop, and indeed in the supplying of these new markets if and when they are found.

In the debate on the resolution on which this bill before us is based my friend the hon. member for Laurier, who of course did not have the bill before him any more than did other hon. members, stated that we supported the consolidation in the resolution. I quote from his statement as found at page 5489 of *Hansard*:

We also support the idea of giving to forestry and forest products more prominence in the federal set-up in order to attract more attention to the forest industries which are so vital to Canadian prosperity and development.

He was concerned at that time, in the absence of detailed information as to what the bill contained, to point out that perhaps the purpose could be achieved through, if you like, a new department but a new department

without a separate minister. He was also concerned to ascertain, as he was able to do, that in the bill to be introduced later there would be nothing which would interfere with the legitimate jurisdictional rights of the provinces over forestry matters.

My friend the hon. member for Laurier went on to define our general attitude on this matter based on the resolution, and then he added that the views of the opposition would be made known upon second reading of the bill when we had had an opportunity to consider it. We have had an opportunity now to consider the bill in the terms which are before us. I am happy to be able to state on behalf of the opposition, and I know the minister will be happy to hear me state it, that we support the second reading of this bill. In view of what he said and in view of the situation which confronts us in this industry, we believe that the time has come to establish a special department of forestry although we still have some reservations, and I shall mention them later, as to whether it is necessary to have a separate minister in addition to a separate department of government.

The main justification for this departure, if any justification is needed, has been pointed out by the minister this afternoon as it was pointed out by the Prime Minister the other day, namely the growing importance of our forest industries, the need for better integration of the existing federal services dealing with forestry and forest products, and the desirability of strengthening co-operation in every way between the industry and the federal government and between the provincial governments and the federal government in this field.

We all know, and the minister has underlined it this afternoon, the extremely important place the forest industry has in our economy, and I think we are becoming more aware of the prospects ahead for this industry. The Gordon commission—I think these figures have already been put on record—in its report of a few years ago forecast that the output of Canadian forest industries measured in constant dollars might well reach \$4 billion by 1980. That is about 120 per cent above the 1955 level, on which that calculation was based. According to the same forecast, after allowing for a substantial increase in labour productivity, employment in these industries might rise, according to this calculation, by about one third, which I think would mean some 375,000 workers. That certainly gives the house a graphic indication of the present importance and the even greater potential importance of this industry in terms