

*Establishment of Industry Department*

a department of trade and industry. Let us look at the Department of Trade and Commerce. It is now acting to some degree as a sales agency in foreign markets for our farm produce, for the Department of Agriculture, for our forestry products, and our mineral products. It is working in the field of export sales of our oil and gas; it is arranging tariff negotiations of great importance to the large scale development of this country. I think this department as it is now constituted has quite enough to do. I believe that even though the minister is extremely capable, he has enough to do. I think the problems of industry are too important to be tacked on as a tail to this already overburdened department. I believe that the scope of the problems and the need for solution are sufficient to justify and warrant a department on its own to handle them. I therefore urge that second reading be given to this bill.

**Hon. Gordon Churchill (Winnipeg South Centre):** Mr. Speaker, at the resolution stage of this bill on June 13, a day which will ever be memorable in the history of this parliament—

**Mr. Macdonald:** What about April 8?

**Mr. Churchill:** —I made a few remarks concerning the bill and I expressed the hope that the government would, in the light of those remarks and others made by various hon. members, redraft the bill and put it forward in better shape. But this government has been able to make more mistakes in shorter time, with less difficulty, than any government of which I have ever heard. The only advice they are prepared to accept is that from outside the House of Commons from inexperienced people; hence their errors.

I suggested at the resolution stage that the bill, if drawn on the basis of that resolution, would be presenting to the House of Commons too broad an approach; that there would be no single, specific item that we could select as special part of the bill; that we would have two things here, with no single principle, a department of industry and an area development agency, which in my opinion should have been set up in a separate bill. The government did not accept that advice. We now have before us Bill No. C-74, and what is its principle? There are two things here, the department of industry for one and an area development agency for another. We are faced with the problem of discussing two items which are separate and distinct from each other; and we are faced, if there is a vote on the bill, with accepting both, although hon. members might want to accept one and reject the other.

That is not the only fault of the bill as put before us. When we get to the committee stage

[Mr. Hahn.]

and are able to discuss it clause by clause we will point out some of the mistakes in drafting that have occurred in this bill showing that it has been hastily drawn, not well thought out, and that it is one which does not bear the mark of the experienced drafters with whom I was familiar during the time we were in office, and on the treasury benches. The suspicion, naturally, is created that this bill was drafted by people inexperienced in parliamentary procedure; people brought in, perhaps, from the outside and making mistakes in drafting a bill just as they made mistakes in drawing up the budget.

**Mr. Teillet:** The smear expert.

**Mr. Churchill:** I mentioned at the resolution stage that there was general agreement in Canada that emphasis should be placed on the development of industry. No one finds any fault with that at all. I quoted from the dominion bureau of statistics Canada Year Book for 1962 a paragraph indicating the development of Canada as an industrial nation. Everyone is seized with the importance of industry. I had intended at that time—and I take the opportunity of doing so now—to point out that, although we hope to gain greater employment through the development of industry, we must not be carried away by any misconceptions with regard to employment based on industry. It is absolutely essential to have industries and to have more of them, but it does not necessarily follow that employment on a large scale results from the multiplication of secondary manufacturing. I wish that were the case; but improved methods of manufacturing and automation seem to have slowed the rate of employment in manufacturing. When you look at page 616 of the Canada Year Book for 1962 you find it gives a summary of manufactures from 1917 to 1960. You find that—I will take two years for comparison—in 1953 there were 38,107 manufacturing establishments in Canada. By 1959, the other year for comparison, the number of manufacturing establishments had declined to 36,193. If we look at the employment factor in 1953, we discover there were 1,327,451 people employed in those manufacturing establishments. In 1959, the number was 1,303,956. It is interesting to note that the productivity factor has been good. The gross value of products increased from almost \$18 billions in 1953 to \$23 billions in 1959. Thus, improved methods of manufacturing have brought about increased productivity but the employment factor has not shown the great increase which perhaps we all hoped it would.

Similar material is given in the Canada Year Book with regard to the provinces and