

*Establishment of Industry Department*

**Hon. Paul Martineau (Pontiac-Temisca-tingue):** Mr. Speaker, I wish to put a question also in relation to the statement made earlier by the minister.

The minister has told us that a committee of ministers had been established to study the minority report of the Glassco commission. Can he tell the house if, up to the present, his government has done anything besides studying those measures and recommendations?

**Mr. Lamontagne:** Mr. Speaker, we have received the complete report only this morning; I think that the hon. member should be the last one to blame us for our delay in this field.

(Text):

**INDUSTRY**

## PROVISION FOR ESTABLISHMENT OF DEPARTMENT

The house resumed from Monday, June 10, consideration in committee of the following resolution—Mr. Pearson—Mr. Lamoureux in the chair:

That it is expedient to introduce a measure (a) to establish a department of industry to be presided over by a minister of industry who shall be appointed under the Great Seal of Canada, to authorize the appointment of a deputy minister by the governor in council, and to provide for the appointment to the department on a temporary basis of persons having special knowledge of manufacturing industries to assist in the work of the department; (b) to provide for the establishment under the direction of the minister of an area development agency and to provide for the appointment of a commissioner and a deputy commissioner for area development; and (c) to make a consequential amendment to the Salaries Act to provide a salary for the minister.

**The Chairman:** Shall the resolution carry?

**Mr. Horner (Acadia):** Mr. Speaker, I rise to speak on this resolution with a certain amount of hesitation because I am wholly in support of the object of this resolution which the government believes will create more employment. I am sure every hon. member of this house is behind the object, at least, of the resolution. The question is, how will it accomplish this object and when will it be possible, for it to be accomplished? We see in the resolution that an area development agency will be set up and a commissioner and deputy commissioner will be appointed. The question remains in my mind, how will they go about creating, promoting, starting new industry and perhaps maintaining industry already established?

When I consider the intention of the government to create and maintain industry my mind goes back to my days in Saskatchewan when that province decided to get into industry. I am not going to repeat what has

[Mr. Lamontagne.]

been said many, many times in this house about Saskatchewan's endeavours to get into industry. They did so in a nationalistic sort of way which I think has been proven time and again to be not too successful in creating jobs, certainly not too successful in maintaining industry and certainly not too successful in maintaining the population of that province. I think population is the crux of the problem. We have a growing population in Canada and we must create and provide job opportunities for our growing population. We have ample resources; we have a high standard of education throughout Canada; we have a high standard of living. With these ample resources and with people willing to work, we should be able to provide job opportunities for them. I believe that these opportunities lie within our natural resources.

I note with some interest that somehow or other this department of industry is going to enable Canada and Canadians to perhaps regain control of our natural resources. This is very interesting to me, coming from Alberta, where the greater percentage of our natural resources are owned and controlled by foreign capital and certainly by foreign people. How a department of industry established by the federal government can make provision whereby we can regain control of this tremendous wealth is a very interesting proposition and bears at least careful watching.

I think that in developing natural resources, providing the proper financial help and perhaps the starting of secondary industry, we have part of the solution to the unemployment problem in Canada. This problem is not confined to Canada alone; it is perhaps a problem in all western countries today. I think the first thing that bears watching with regard to the development of a department of industry is how well this department can be co-ordinated with the other departments of government. There is no sense, for example, in one department trying to promote industry while another department carefully and systematically goes about causing industrial and economic upheaval throughout the country. I have in mind an example which is very evident in western Canada. In Saskatchewan, they are facing an application to abandon 1,008 miles of railroad. This, if carried out, will no doubt cause a tremendous upheaval of small industries, certainly in towns through which the railroad is now running. It is bound to cause economic upheaval and loss of jobs in many areas in western Canada. I refer to Saskatchewan; but there are also plans to abandon railways and shift rail development in the province of Alberta. I think this need to co-ordinate the activities of every government department in relation