

on the success in the development of a large farming business, and a large production of metals and pulp and paper products, and so on. Sometimes we are, perhaps, inclined to lose sight of the fact, which was brought to our attention the other evening by Mr. Nicholson who represented the Council of Forest Industries of British Columbia, when he pointed out that although the number employed in his overall forest industry in British Columbia was fairly large it was estimated that between five and eight more jobs were created as the result of the production and the sale of the products in his own province. We tried to get a figure related to that from Mr. Fowler of the Canadian Pulp and Paper Association, but he would go only so far as to say that it was a number of jobs but he had no information on which to base a sound figure.

I do not know whether Mr. Simpson could comment on what I am thinking, but perhaps he can detect that we are troubled by this. Would you like to comment, Mr. Simpson?

Mr. SIMPSON: Yes, I realize exactly what you mean, and undoubtedly further secondary jobs are created throughout the economy by primary industry. I might just as well tell you now, while I quoted a figure of 72,000 odd for last year who are directly employed, that if we went down the list of electrical distributors, the dealers and contractors and all those dependent on these electrical manufacturing industries for jobs, I could get this figure of ours up to at least five or six to one of the basic employees who are employed directly. This is the case in every industry, that there are secondary jobs produced throughout the economy, whether it is a primary industry or a manufacturing industry.

Mr. STYLE: I do not think there is any real reason for believing that the primary industries create more jobs for each job in the primary industries than the secondary industries do. We do know that the goods producing industries, which include both the primary and secondary industries, employ about 50 per cent of the population. The other 50 per cent is employed in the service industries, and these you have a ratio of one to one. I do not know of any reason for believing that the one to one ratio might be one to 1.25 in the secondary industries, and one to two in the primary industries. In other words, I would think that the ratio would be about the same in each, but the outstanding thing is that directly we employ 25 per cent of the population whereas the primary exporting industries, according to our figures—which I think tie in pretty well with your economist's figures—employ about 5.3 per cent.

Senator SMITH (*Queens-Shelburne*): I have heard it said by quite a number of members of Parliament and senators, who represent people from the west, that a collapse in the western farm economy would mean a general collapse in the whole Canadian economy, and would affect, of course, the industry which you represent. If that is so it seems to me that there is a large body of opinion which says, whether it is right or wrong, that we must be very careful not to do the kind of things, or recommend the kind of things, which would aggravate the present difficulties in the exporting of our primary products, and that, again, is a matter of some concern to us.

Mr. STYLE: We would entirely agree with you, sir, and I think, if you consider our brief, you will see that what we recommend in order to improve the position of the secondary industries, and which must be done, is not calculated to make the role of the resource industries any more difficult. We start off with an unfavourable balance of payments, which has reached a high point of a billion and a half dollars and now runs something below that amount. But if we can decrease imports to that amount it would make a terrific difference in the volume of employment in Canada. We cannot see how that would interfere with the ability of exporting industries to export.