

*The Address—Mr. Blair*

impact of an overwhelming volume of imports, and within a year more than 23,000 persons had been laid off, and many thousands were on short time. Business has, on the whole, improved since that time to the point where some 8,000 workers have been re-hired, but the pattern is so erratic and the future holds such great uncertainty that it would seem that this situation deserves more consideration from the government than so far has been accorded it.

Basic causes of the difficulties can be and will be traced back 15 years to show where a bad continuing situation made it possible for the upsetting circumstances of 1951 to bring about the current trouble.

There is nothing mysterious about the textile industry's problems. Government, business and press have all admitted that these problems are serious, but I should like to suggest that this industry, one of Canada's largest employers of manufacturing labour, is too important to be put off any longer with weak excuses and unfulfilled promises. This is a time for definite action that would offer some hope to the thousands of unemployed textile workers throughout the country, and to the many more thousand workers who are existing on part-time work at this moment, and to an industry that has every reason to believe that it has been neglected.

The Minister of Trade and Commerce (Mr. Howe) recognized the severity of the matter, according to the *Cornwall Standard-Freeholder*, when he spoke in that city just before the last federal election, on July 20, to be exact. That newspaper quotes him as saying that Canadian textile markets would be back to normal by October. The Department of Trade and Commerce must surely have learned that there has been a further reduction in employment in Cornwall textile mills during the past few months, and the situation there is as serious as it was last summer. Nor is Cornwall an exception. Generally speaking, the situation in the industry has not improved in recent months. The distress is widespread, covering every province in the country, and one has only to read current statistics and reports to know that the future is bleak unless some immediate action is forthcoming.

The situation that exists in the Canadian textile industry today can be discussed in general terms, as the whole trouble stems pretty well from the same causes. But first I would like to talk about one aspect of the problem that is particularly close to me as it affects a great part of my constituency and a great many of my constituents. I speak of the Ottawa valley wool textile industry. Wool textile manufacturing in Canada was born

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there more than a century ago. Wool textile manufacturing is a long way from being in a healthy condition. We must look more closely at the malady for a cure and a restoration of health.

I should like here to make reference to a speech made by a man whom I know very well, whose family established a textile mill in the Ottawa valley, in the town of Perth, in 1876—and have conducted it ever since. It must be presumed that his long family connection with the textile business, and his own personal achievements in the industry, lend authority to his words. He noted that the reasons for the decline in the textile industry, in the wool textile branch, are not hard to find. He said:

Average hourly earnings in the wool textile industry in the United Kingdom, our chief competitor, are only 37.5 cents per hour compared with average earnings of 99.7 cents per hour in the Canadian wool textile industry.

A severe handicap to Canadian producers of wool cloth and one against which we have protested time and time again without much apparent result, is the existence of an "accidental" tariff rate brought about by the imposition some years ago of a maximum duty of 50 cents per pound on wool fabrics coming into Canada from the United Kingdom.

Since the imposition of the maximum duty, costs and prices have risen to such an extent that most of the British fabrics imported today can take advantage of the maximum duty. This has resulted in an effective duty of about 14 per cent instead of the 21 per cent intended, and which of course does not equate the labour costs involved in converting raw materials into fabrics in Canada and the U.K.

I do not believe it is advantageous to the economy of this nation nor do I advocate a high protective tariff policy for this or any other industry, because such a device can only provide stability for an uneconomic unit at unwarranted high cost to the Canadian consumer of the products which the industry produces. I do not believe any member of this house would class the Canadian textile industry as an uneconomic unit. Therefore I suggest as one of several possible solutions for the problems confronting this industry at the present time that a study be made of our present outmoded maximum duty on all fabrics coming into Canada and the relationship that this bears to present-day conditions to that intended by the framers of the customs law.

In case anyone who forecast recovery by October now expects the situation in the wool industry to improve by Christmas, or would like to explain that the people of Almonte, Perth, Carleton Place, and the other fine towns of the Ottawa valley are still managing to eke out a living, I offer another statement made recently in Toronto.

The Right Hon. Lord Barnby, C.M.G., C.B.E., M.V.O., internationally known textile