

*Textile Industry*

I go on, now, to describe the second option, what I call the policy of global containment or comprehensive restraint applied to the entry of low-cost textiles. I reject this also because of what it would mean in terms of consumer interest, the allocation of resources, Canada's trade and international obligations.

I am sorry to be so long, Mr. Speaker, but this is a difficult subject. I begin by describing the new policy on textiles, and it seems to me that I should quote the key paragraphs which deal with the philosophy and intent of the policy. The policy is intended to provide a sense of direction, a framework and conditions within which the textile and clothing industries can plan, invest and develop with a greater degree of confidence.

The purpose of this policy is to create conditions in which the Canadian textile and clothing industries continue to move progressively toward viable lines of production on an increasingly competitive basis internationally. However, Canada cannot assume alone the responsibilities for an unliberalized textile world. Because of the small domestic market, it is recognized that full competitiveness in many products may be achievable only if there is liberalization in the presently highly restrictive environment for world textile trade. While prospects for such liberalization do not appear promising at the present time, Canada is prepared to join with other countries in efforts to seek progress in this direction, including reduction of textile tariffs. In the meantime, the industries will be improving their competitiveness, and will be in a position to take better advantage of export opportunities as they arise.

While no advance commitment about special protection can be provided, the government will be prepared, in cases of serious injury or threat of injury from low-cost imports, to accord special protection—unilaterally when necessary—in order to facilitate adjustment to or strengthening of the more viable lines of production. Plans for such restructuring or strengthening will be a condition of the protection. The continued appropriateness of such protection will be kept under review.

There is no question of such measures of protection being applied to encourage the maintenance of lines of production which have no prospect of becoming viable in the years ahead. Progressively, and as access to world markets improves, the Canadian industry will be expected to complete more and more without special protection other than

the tariff. The industry should, therefore, be planning progressively to phase out of the least competitive lines and to move into those with the highest competitive potential for the future.

The rest of my text deals with the different means that I have put in motion to help the industry do that. I describe the principal elements of the new textile policy.

*[Translation]*

First there are commercial policy measures. Under the heading "Tariff" I say this: "The government will give consideration to the rationalization of the textile tariff. However, both with respect to the proposed rationalization of the tariff and with respect to tariff reductions additional to these that may be involved in this rationalization, Canada will wish to enter into negotiations with our trading partners with the objective of obtaining improved access for Canadian textile products to major export markets, or related compensation".

Further on, under the heading—

*[English]*

I used to get more attention, Mr. Speaker, when I was talking wheat. I meant, of course, from the other side of the House.

**Mr. MacInnis:** You are getting a lot of attention now.

*[Translation]*

**Mr. Pepin:** Under the second heading: "Anti-Dumping and Countervail", I say this: We shall strengthen the anti-dumping or countervail legislation so that they may be used more effectively.

Under the heading: "Customs Act and Statistics Act", I say that "improved measures will be introduced enabling the Government to obtain more current information on imports and to supplement and support the policing of the restraint measures of the supplying countries."

Finally, under the heading "Low-Cost Import Policy", the following paragraph is very important: Measures of protection against "low-cost" imports would be considered only when the following two conditions have been met: (i) formal determination of serious injury or the threat of injury; (ii) submission of appropriate plans by the companies concerned to undertake restructuring, phasing-out, or upgrading of production."

And finally, "it is proposed that a Textile Review Board reporting to the Minister of