other measures, such as the application of fixed values on imports coming from some countries.

As we have seen, the situation has completely changed following the tremendous amount of imports coming from much more numerous sources at prices against which any normal trade policy is powerless.

It is obvious today that the survival of some industries, in Canada or elsewhere, requires more than normal protection. Some have disappeared already and others will follow if the necessary decisions are not taken with determination.

In 1957, when it was found that measures were required to counteract the disruption of markets through abnormal imports, the quota system was adopted. Afterwards, on occasion, we had to resort to temporary embargoes, since the Canadian market for various products had become chaotic.

The available remedies took a new dimension when the long-term agreement on cotton textiles was adopted in 1961. This was largely a novel policy in the international textile trade, since it provided the signatories with the framework inside which they could make use of their respective quotas. For the various countries, it meant agreeing to controlled marketing, as well as to corrective measures in cases of disruption of the markets, restraints in the quantity of textile products put on the world markets and the need to eliminate any excessive concentration of some particular goods.

This agreement provided for an agreed increase in exports from low-cost countries, as well as wider access to strongly protected import markets.

For Canada, the result of all this was effective confirmation of the already deep penetration of its market.

In this regard, however, the agreement gave Canada the right to set values and to refuse to accept automatic quota increases, a privilege which has been seldom used.

This is to say that when such agreements are made in the future, we must set up the appropriate control system so that we can immediately determine whether the countries signatories to the Agreement are not breaking that very agreement.

Among the other solutions which could be contemplated is the application of quotas on total imports. To enforce this measure we would have to deliver import permits so as to be able to set the amount of products that a dealer will be allowed to import into Canada.

Doubtless this measure is drastic but if it is the only way to improve the situation we shall have to use it. Moreover, I suggest that under the current circumstances we have no choice if we want to prevent an even more disastrous situation and complete dislocation of the Canadian textile industry. We must therefore use all means available so that the Canadian textile industry may be assured of a higher percentage, which could be approximately 70 per cent, of our domestic market so that this industry may plan its production and make it profitable.

I am confident that the Textile and Clothing Board, in co-operation with the workers and the management associations, will find other solutions advantageous to all sectors of the Canadian textile industry.

By improving matters for the textile industry we will meet two goals at the same time. We will keep many Canadians working and we will at the same time create many new jobs.

In an article which appeared in the 42nd annual report of the Canadian textile industry, Messrs. MacPherson and Amery, respectively economist and assistant economist with Du Pont of Canada, state that the textile industry could provide Quebec, directly or indirectly, with 20 per cent of the new jobs which are presently needed in that province.

• (2:40 p.m.)

Employment opportunities, however, will depend on the availability of markets. For the next five years, the most important task facing Canada will be to provide employment opportunities for the young people who will come up on the employment market.

We must also recognize the limited amount of capital available in Canada for investment. The fulfilment of our national objectives, namely full employment and a rising standard of living, requires that approximately $20 billion be invested by 1975.

Yet, in recent years, investments were running at a pace of $10 billion a year. Our national economic policy should thus be such as to assist industries whose production could replace those products which are presently imported.

The Canadian textile industry has everything it needs to take an important share in Canada's economic growth and political stability. Contrary to the general opinion, the textile product market is one of the Canadian industrial fields showing the most rapid development and the growth of its productivity has been far greater than the national average.

Moreover, the textile industry does not require such tremendous outlays as other industrial segments. It therefore needs limited capital, which is one of the rarest advantages in Canada.

The part that is to be played by the textile industry in Canada's political stability, especially in Quebec, can not be underestimated. In 1969, that industry provided employment to nearly 200,000 people, namely 11 per cent of the labour force in the manufacturing field.

Given the best conditions of economic growth and autonomy, the textile product industry could have 280,000 employees around 1975, namely an average yearly increase of 5.5 per cent or about 13,000 people.

However, should the present tendency continue, the industry will need only 225,000 people and under adverse conditions, its total labour force, which is now set at about 197,000 could decrease by 6,000 employees before 1975.