

Adjournment Debate

More than 3,000 jobs in the riding of Drummond depend on the textile and clothing industries, which is some indication of the very important role still played by these industries in our region's economy.

The main companies are Celanese, Dominion Textile, Consoltex, Textiles Monterey, Textiles Dionne, Teinturerie Elite, Drummond Hosiery and a number of others.

Mr. Speaker, to give some idea of the importance of a company like Dominion Textile in the Drummondville area, this company generates a wage bill of \$20 million annually, pays \$400,000 in taxes to the town of Drummondville and contributes over \$50,000 to various social activities. It employs 700 people.

Swift Textiles Canada, a division of Dominion Textile Inc., because of its denim manufacturing facilities has one of the most modern plants in the world. The streamlining of these facilities over the past year, will have required over \$30 million in investments and this, without any subsidy.

In the Province of Quebec, Dominion Textile provides jobs to 5,300 people in its Sherbrooke, Magog, Valleyfield, Grandby, Trois-Rivières and Drummondville plants.

Many wonder at the size and scope of Canada's textile and clothing industry. The textile industry, which consists of 1,070 plants, has 63,800 employees, 43 per cent of them women. The plants are mostly concentrated in Quebec and Ontario, these two provinces providing respectively 52 per cent and 41 per cent of all the jobs. The remaining jobs can be found mostly in the Atlantic Provinces.

This industry has a total annual sales figure of \$5.8 billion. Exports account for approximately 11 per cent of that amount, some \$660 million. On the other hand, imports represent nearly one-third of the domestic market.

Ever since the early 1970s, Mr. Speaker, the textile industry has maintained its share of the domestic market at a fairly constant level, which is 70 per cent. Imports come mostly from other industrialized nations, especially the United States. Since 1980, however, countries where production costs are very low are exerting increasing

pressure on industrialized nations; they account now for one-fourth of all imports.

As to the clothing industry, it is made up of manufacturing plants which supply clothes to consumers and other industries. Some 99 per cent Canadian-owned, the 2,500 plants which provide jobs to approximately 113,000 workers are mostly located in major urban centres in Quebec (60 per cent of jobs), Ontario (30 per cent), and Manitoba (6 per cent). Moreover, nearly 75 per cent of the jobs are held by women who represent the majority of the nearly 30,000 industry workers who are working at home.

The industry sales figure has been estimated at \$5.7 billion a year, including \$4 million in exports. Imports, on the other hand, represent approximately 2.1 billion a year.

In recent years, thanks to the help of the Canadian Industrial Renewal Board, industry leaders made a concerted effort to boost their competitiveness by applying new technologies to the various production stages such as computer-assisted design and manufacturing. So far these efforts alone have not made it possible to offset the cost advantage enjoyed by exporters from low-wage countries.

The stakes are high, Mr. Speaker: more than half the jobs in the Canadian textile and garment industry are in Quebec where 55 of the 75 ridings depend on that industry.

Canada's textile industry is modern, capital intensive and well managed, yet it is small when compared to that of the United States where close to 50 per cent of all our textile imports come from. In less than eight years they will come in duty-free. True, Canadian manufacturers will have gained access to the American market, but this will call for huge investments in Canada and great marketing expertise.

The Free Trade Agreement with the United States has to be a major adjustment challenge for Canadian producers.

The government intends to reduce Canadian duty on textiles to levels close or identical to that of the US.

The outcome of the Uruguay round of negotiations concerning lower tariffs will not be made public before year's end.