

for our future, and the government must help us drive forward, not backward. Its past and present lack of direction has turned us around.

The recently announced community program for economic development does not address the serious problems with which the textile and clothing industry is faced, but it cannot and must not be phased out because of the job implications. We need action on the part of government now in order to avert another Chrysler situation in Canada, where massive government financial aid is required. We need a proper climate in which to update and modernize.

Investment in new plant and equipment requires a proper climate in which to update or modernize, and only the proper attitude on the part of this government can provide it. The whole question of renewal of the textile and clothing sectors is one of the basic issues that should be addressed in an industrial development policy.

Textile companies are capital and technology intensive, factors that have created good working conditions and better productivity. Productivity has to be encouraged in any operation, especially in government.

Protection of our small domestic market is essential to our standard of living, and it is not too much to expect from our government.

I share the concern of many textile workers in my constituency that the recommendations made by the textile and clothing board should be implemented fully in order to ensure that Canada continues to have a healthy textile and clothing industry. Failure to act will result in massive unemployment in Ontario and Quebec and will have an extremely serious effect on the economy in the Kingston area.

Mr. Speaker, I ask the Minister of Industry, Trade and Commerce to support the recommendations of the textile and clothing board and implement them as soon as possible.

[*Translation*]

Mr. Claude-André Lachance (Parliamentary Secretary to Minister of State (Trade)): Mr. Speaker, this is a rather long and somewhat complicated title to say out loud. In my opinion, trade, and especially foreign trade, is an essential part of an industrial strategy, and it is in this context that I rise today to give an admittedly brief but detailed outline of the initiatives taken in the last few months by the government to promote Canadian trade and Canadian export of manufactured products. Canadians may not always realize this, Mr. Speaker, but Canada is an exporting country. In fact, Canada's percentage of its gross national product allocated to export is the highest, or one of the highest, among our trading partners in the OECD. Mr. Speaker, Canadian exports represent 30 per cent of our total economic activity. And in spite of extremely difficult economic conditions in the last few years and on almost zero growth in real terms experienced by our trading partners in the OECD, it was reassuring to learn a few days ago that our economic performance as concerns exports had enabled Canada to increase the value of its exports by over

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\$10.9 billion to \$76.1 billion. Not only have we increased the value of our exports, but we have done so in nearly all sectors of economic activity. For instance, there has been an increase of \$1.6 million in wheat export, an increase of \$1.2 million in pulp and paper and newsprint export, and even an increase of \$400 million in equipment export.

We can go even further by pointing out that, because of our privileged relationship with our neighbour to the south, our trade with the United States has accounted in the past for 70 per cent of our trade. It is therefore extremely comforting that more than two thirds of the increase in our exports, for a value of about \$7 billion, during the year 1980 over the previous year can be attributed to our efforts to develop new markets or markets where our penetration was not as effective in the past, such as Japan, the Pacific rim countries and western Europe.

I refer to this because, although this privileged relationship with the American giant to the south must and will be maintained, it is healthy for Canada to find new markets, if only to take advantage of the major economic growth which the countries that I mentioned earlier will know during the eighties at a time when, according to the economic forecasts of international experts and agencies involved in this area, our more traditional markets will experience some stagnation or a very slight economic growth in the coming years. Thus, if Canada wants to continue to increase its exports and keep its traditional share of the international world trade, it will have to do so in new markets. Well, opening new markets is not as easy as it may seem, especially for Canada's small and medium-size businesses which are used to supply local or national markets and occasionally expand into the United States where conditions are similar to ours when it comes to trade practices, market trends and consumer habits. They feel it is very costly, complicated and seldom very motivating to fly across oceans and go knocking on doors of tradesmen in Hong Kong, Singapore, Kuala Lumpur or elsewhere where trade practices are different, where costs are very high and where the amount of time spent doing business prevents industry leaders from looking after their own operations back home.

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That is why the Canadian government has offered incentives, and here I have in mind the program for Export Market Development which makes it possible for a small Canadian business to avail itself of a kind of prospection insurance, to travel abroad, and explore markets in an attempt to pick up sales orders. Trade being what it is, a businessman may or may not succeed, but should he fail he can at least hope that the Canadian government will repay him part of his expenses. I will be told that any businessman who wants to export should be able to pay his own way to secure new markets and, in principle, that is correct.

But unfortunately, because of traditions or through force of habit, small and medium-size Canadian businesses have been