

As I say, Mr. Speaker, I am not suggesting, nor do I have any evidence, that "slush funds" have been involved in protectionist legislation of recent years, or for that matter during previous generations; but I do draw the first part of Sir Richard Cartwright's remarks to the attention of this House. Protectionism, I suggest, Mr. Speaker, is essentially a self-defeating operation.

In what I have said so far I think I have taken what could be called a rather negative attitude toward this bill. I do not want to be negative, as I hope to show; but I do question, and I am a little dubious. Let me look briefly at the general principles contained in this bill. It provides somewhat more protection than the industry now has. The industry may ask, and may in some circumstances obtain, protection by import quotas or by high tariffs if it is threatened with damage by imports—not so much actual damage but merely threatened damage.

The positive aspect of this bill, which is welcome, is that such industries are required, when they seek this additional protection, to also submit their plans for rationalization. They must show a plan which gives satisfaction to this three-man board, and beyond that to the minister and the government, that they plan to make their industries viable. This is a welcome feature of this legislation.

• (3:10 p.m.)

In common with other spokesmen for other parties in the House, I think that this is good, positive and forward moving legislation. But, I am left with the sensation, after reading this bill, that in terms of rationalization of the textile and clothing industries, this bill will be just as effective or as ineffective as the government of the day chooses to make it.

It can be effective if the industries which are in totally uneconomic areas are encouraged to move into different areas of production in which Canadians can specialize. I have spoken rather harshly of the clothing and textile industries, which all too often in Canada have paid abominable wages under abominable conditions, yet cried for the support of the government while doing so. Although this is a feature of a part of the clothing industry, it is obvious there are great initiatives in some areas, and there must be great efficiency.

I was interested in the minister's remarks when he pointed out the increased sales of Canadian goods to the United States market. We well know that, generally speaking, the United States has an advantage with its long production lines. Generally, United States manufacturers are very efficient producers. When Canada can increase its sales to the United States market in competition with producers in that country, clearly in these areas there is initiative, enterprise and skill on the part of the Canadian producer.

The legislation enables the government to encourage and even direct industries in the textile and clothing spheres to go out of unproductive lines and into productive areas. It is to be hoped that where a plant is totally unefficient, badly mismanaged, or in such a hopeless situ-

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ation that no workable plan could come forward, these plants should be led quietly to the grave.

However, while this bill offers an opportunity to the government to divert entire industries into areas of efficiency, it also, from my reading of it, leaves the way open for this or any future government to impose import quotas, raise tariffs and protect the industry in one way or another. All too frequently, these plans for improvement could be accepted on the basis of a piece of paper. If a government should not choose to force an industry to follow its improvement plan as put forward, this legislation could provide nothing more than almost continuous protection of inefficiency.

I know that at the moment we are not considering the bill clause by clause, but I feel when the committee examines this bill, it would be wise to give careful thought to assuring that every action taken by the government on the advice of this board be reported promptly to Parliament. There must be protection for the manufacturer to ensure that his trade secrets are not revealed to his competitors when this government acts upon the recommendations of this three-man board. But I do not think it sufficient that action be taken by Order in Council. I suggest each recommendation should be reported to this Parliament. In addition, there should be an obligation on these industries to provide a progress report, say, at least quarterly, so that members of this House, as well as of future Houses, are able to consider carefully whether this legislation is in fact not being misused. I bring these suggestions to the attention of hon. members.

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, this has been an interesting debate on this bill. I have followed it by listening to all the speeches, and I have heard a variety of interesting suggestions from entrepreneurs who own the factories which may be getting obsolete, from workers who are looking for jobs, as well as those interested in developing countries which have goods to sell to our markets. I have also listened to interested consumers who want to obtain goods at the best possible price.

Perhaps the most interesting speech was that of the hon. member for Saint-Hyacinthe (Mr. Ricard). His speech can be divided into two parts. In the first part, he attacked the legislation as being useless and undoubtedly extremely damaging to the textile industry. In the second part of his speech he stated the legislation was long overdue, and that the government should have introduced these measures years ago. That was an interesting reflection.

Before I move on to a consideration of the legislation, I should like to refer to a number of facts about the Canadian textile and clothing industries in order to better understand the subject of this debate. The Canadian textile and clothing industries are, generally speaking, as advanced and technically efficient as those in other countries. They are well able to compete with imports from such sources as the United States, Britain and western Europe, but such is not the case when we are dealing with imports from low cost sources such as