

*Canadian Economy*

dum within two years after the election of the Parti Québécois, we should hold the referendum as soon as possible in order to settle this matter.

● (1602)

Personally I have nothing against asking the question. I hope it will be put to the people as soon as possible. I am happy to see that when I mentioned the problem earlier several members supported me, and I see that the hon. member for Joliette (Mr. La Salle) has decided to help me make the French-speaking representation here unanimous in its desire to have a referendum held as early as possible in order to solve this problem. I thank the hon. members who supported me in this regard. Personally I think this would make quite a difference. Why? Because in such circumstances, it is quite difficult for the people who plan to invest to make a decision when they do not know exactly how big or small the market will be. I have said it over and over again, there is nothing more nervous than a million dollars. It has no colour and is speechless. Investors want to know where they can make profits, and should they fear a loss, they will go elsewhere where the prospects, in their opinion, are better. Now we would make great strides if we could solve that problem.

Very often a matter comes up—and the hon. member for Joliette (Mr. La Salle) will soon participate in this discussion and will probably raise it—the question of the federal contribution to the Quebec economy. I would therefore like to take this opportunity to refer to the response of the Canadian government during the last year. Faced with the election of a party devoted to the separation of Quebec, on November 15 of last year, we decided and we took the position that we would continue to operate as a Canadian government and do everything within our power to improve the economic situation in Quebec, notwithstanding this rather negative new factor.

In the last months, we have often heard of soft sectors in Quebec. I would like to take a few minutes of the time of the House to talk about it and deal first of all with the footwear industry. The hon. member for Richmond (Mr. Beaudoin), I see him now in the House, made representations to me a number of times in this respect. Other members from both sides of the House also made representations to me, the hon. member for Joliette (Mr. La Salle) the hon. member for Compton (Mr. Tessier), the hon. member for Sherbrooke (Mr. Pelletier) and the hon. member for Drummond (Mr. Pinard). All these hon. members are concerned with those problems and I wish I had been in a position to make a statement on this matter this afternoon. However, since this is a very complicated problem which also involves communications with foreign governments whose exports enter Canada, I do not think I will be able to make that statement before Thursday. However, a decision has been made and the policy will be known no later than this coming Thursday.

By the way, I would like to thank the Parliamentary Secretary for the Department of Industry, Trade and Commerce (Mr. Loiselle) who has spent long hours working on this problem. As for the textile industry, much has been said about

[Mr. Chrétien.]

the situation in Quebec. Unfortunately, the Quebec government has consistently tried to give the impression that any development in that area resulted from their coming to power. I would like to keep the record straight. I was appointed Minister of Industry, Trade and Commerce in September of last year, and I announced a new textile policy around November 20, I think, which was two or three days after the Quebec election. Anybody who knows something about governmental administration is aware that this kind of decision cannot be taken within three days. I have worked a lot on that. I did it in a new way, following the creation of a committee with the Department of Industry, Trade and Commerce made up of members of labour unions, and industries and representatives of the three provinces involved; Quebec, Ontario and Manitoba. Last November we decided to restrict textile imports to their 1975 level.

I have been blamed on several occasions by members of the opposition in this House, because some importing firms were not happy, but we have done this in keeping with such measures we were allowed to take pursuant to international legislation and we have extended these quotas to the end of June 1978. Moreover, a few weeks ago, the new Minister of Industry, Trade and Commerce (Mr. Horner), and myself, made a joint announcement to the effect that we had taken the necessary steps to extend the protection given to the Quebec textile and clothing industry for a three-year period.

And all that in accordance with the international laws regulating international trade. We did it at the request of the industry, in co-operation with the labor unions and governments involved, and we had taken the initiative long before the Parti Québécois came to power. Indeed, in that respect may I be allowed, Mr. Speaker, to mention the excellent work of several members who never stopped pressing me about that, particularly the hon. member for Sherbrooke (Mr. Pelletier), the hon. member for Compton (Mr. Tessier), the hon. member for Drummond (Mr. Pinard), the hon. member for Gamelin (Mr. Portelance), and many more, who constantly came back charging in defence of the textile industry. And now for the first time in the history of the textile and clothing industry in Canada their industry will benefit for a period of four and half years, from a policy of stabilisation.

Of course, those industries will have to modernize—they have already started to do so—to be able also to increase their competitiveness. But what really pleased me—I see the hon. member for Portneuf (Mr. Bussièrès) who also made many representations to me; I apologize for forgetting him—what pleased me is the fact that they told me every time that they were prepared to accept the competition from European countries and the United States but they were unable to compete with countries like Taiwan, Hong Kong, Singapore, the Philippines, where wage levels are absolutely non-competitive. I am not saying that we should not let in imports from those countries but what we have tried to do is to strike a balance between imports and exports because imports are necessary to maintain pressure on prices and keep inflation down, and imports are often a good discipline factor in that area.