individuals who apply for loans, thus letting everyone deal with this problem, as this leaves the way open to exploitation and the government tries to find palliatives like the one the minister is now proposing.

Not only do these palliatives lead nowhere, but they are going to increase the cost of living again and create injustices to other industries, for if we pay salaries to unemployed people in certain industries, we will have to do the same for other related industries, and where will we find the money? Taxes will be raised and by the same token the cost of living. What good will it do? The corrective measures which the government is applying to industry are only so many new restraints, new harassments which will bring about injustice and unrest even worse than what we are experiencing today.

The problem cannot be solved that way. Settling the problem implies leaving an adequate purchasing power with the taxpayers, and decreasing interest rates to a reasonable level so that industries may be in a productive position. If an industry borrows money at a 12 per cent interest rate, how can anyone expect it to be able to operate?

But nobody is saying a word about that, not even the Minister. There is not even one member of this House to regret it. As for the Tories, they are happy with criticizing the government. How did they propose to solve the problem?

Since the days of Confederation, this county has been run by Grits and Tories and we are now caught in an appeling state of stagnation. Because of overproduction, we subsidize western farmers out of growing grain and we penalize eastern farmers to keep them from producing milk. Even so, we are unable to distribute our affluence. The situation is the same in the textile industry. Why? Because Canadians lack the necessary buying power. Because instead of increasing their buying power we are taking some more away from them.

Lay-offs will do nothing to reinforce the taxpayers' buying power. Nor is it by paying starvation wages, by robbing some to help the others, that we will improve our economy, or give the consumer the purchasing power required to reactivate the textile industry, and other sectors of industry. On the contrary: things will go from bad to worse.

We could say many things about textiles, but what is the use of rehashing details, explanations and figures? I only wanted to tell the minister the present situation is not normal.

To my mind, the real solution to the problem is to give a compensated discount on prices. There, Mr. Speaker, is one way of pleasing the people! That is one way of reducing cost prices! If we do not know where to get the money, or want to take it where we should, the only thing to do is look at the surpluses in Canada this year. We had a surplus of over $34 billion in 1970 and the one we will have in 1971 will be even bigger. If we used it to give compensated discounts on prices to bring them down, we would lower the cost of living and we could tell the unions: We shall not grant any salary increases but we shall reduce prices by granting compensated discounts; that will increase purchasing power and ensure greater distribution of goods.

Then, we shall be in a better position to compete with other countries. At the present time, taxes prevent us from producing for export, because of the competition of other countries.

That is where action is needed, and the minister does nothing about it. Embargoes on this and that do not solve the problem either, because, if we export goods, we must also import some. To solve the problem, Canadians must be given the means required so that they can spend, make necessary purchases in order to clear our production. We shall export our true surpluses. We shall import other goods that we do not produce here, and which we require. There is a sound economy. This is what we ought to do, and this is what the minister must consider more and more. I do not want to blame the minister more than I ought to, for he is not alone in this business. In fact, there is above him, above the Prime Minister (Mr. Trudeau) and above the Minister of Finance (Mr. Benson), a superpower that controls the whole economy of this country. However, we must ask the minister to show enough nerve to stand up to all that and to bring Canadians the required improvements, so that our economy will be balanced, thus allowing all Canadians to live decently in their country which is full of resources.

• (4:10 p.m.)

[*English*]

Mr. John Burton (Regina East): Mr. Speaker, the members of this party have already indicated their support for the bill now before the House; therefore, I do not intend to speak at length. However, there are a few points I should deal with prior to the minister closing the debate.

All hon. members of the House will recognize the difficulties facing the clothing and textile industries in Canada. To the extent that this bill does assist in resolving some of the problems, we welcome it and wish the minister all success in any programs started under this legislation. There is a complex of factors involved in dealing with this legislation and in developing policy and programs. As has been pointed out, our trade relations are involved in more than one way. We have had heavy imports of clothing and textile materials, particularly in recent years. More than one interest is directly affected since many people in Canada have an interest in increasing trade relations in many of those countries that import Canadian products. At the same time, this has posed problems for Canadian workers and producers in various areas.

In addition, we have an interest in trade relations as well, because under any rationalization program it is quite likely we shall have to turn to export markets for some goods that might be produced in Canada. I noted that the minister said the government would attempt to resolve many of the present difficulties, and I think this is the correct approach in terms of trying to come to grips with these problems.