

*Customs Tariff*

therefore congratulate the government for this proposed amendment to the Customs Act and more particularly for the increase of tariff item 554b.

Moreover, as the Minister of Finance said in his budget speech of June 17 last, I quote:

The government intends to defend Canadian producers against the practice of dumping, whatever form it may take. This will require the strengthening of the present valuation provisions of the Customs Act and their effective enforcement.

As to the increase in custom duties, it is worthy of note that, about 30 years ago, a duty of 50 cents a pound was levied on British woollens imported into Canada. That measure was designed to promote imports of some of the expensive fabrics which were then considered a British specialty, and which were not manufactured in Canada. It was felt then, and rightly so, that the regular rate would raise the price of such fabrics to more than the Canadian consumer would be prepared to pay. Since that type of cloth was unavailable in Canada, it was felt it might be unfair to Canadian consumers and also to British manufacturers.

But, since that time, the situation has undergone a radical change. Prices have gone up to such an extent, on the whole, that practically every British fabric is just as high priced today as were the most expensive ones only a few years ago. As a result, practically all the woollens entering Canada from Great Britain were taking advantage of the maximum custom duty of 50 cents a pound. This had never been contemplated by the makers of the customs tariff and it obviously discriminates against Canadian manufacturers of similar fabrics. After many representations from the leaders of the Canadian woollen industry, the tariff board recommended that the maximum duty be increased to 55 cents in some cases, and to 60 cents in some others. Those duties now apply. They will temporarily alleviate the situation of the Canadian industry.

But, as everyone knows, those changes, as well as other minor changes in the rate of customs duty are considered to be merely temporary measures, pending a complete study of the industry's problems, a study which must be made at the highest level, as recommended by the tariff board.

As I said a moment ago, Mr. Chairman, it is the government's duty to insure the Canadian industry against any kind of dumping, and, at the same time, to grant it the required level of tariff protection. That is

how measures enacted by this government should be understood.

It is gratifying to see that the government has the political courage to implement the advice of the tariff board, notwithstanding the trouble which, as they very well knew, would ensue.

Under the circumstances, I believe that the government has taken a step which can help the textile industry for a time. On behalf of all Canadian workers of the textile industry, which has become necessary to our economic well-being, I express the hope that the government will continue to study that important problem with a view to finding a permanent solution capable of ensuring a long life of prosperity to our Canadian textile industry.

(Text):

**Mr. Pickersgill:** Mr. Chairman, I listened with great interest to the speech just delivered by the hon. member for Quebec-Montmorency, which was certainly a protectionist speech in the old Tory manner. If the government were to follow the advice of the hon. gentleman we would soon have about the same amount of trade as we had in the last year of the last Tory government. The hon. gentleman congratulated the government on their political courage in bringing forward this measure. I think, sir, that if the government had shown real political courage its members would have gone all across the country and told the people before March 31 that they intended at the first opportunity after they came into power to embark upon a protectionist policy, and the results of the election in certain parts of the country would undoubtedly have been very different.

As I said when I was speaking about this matter on the budget, at least in the old days the Tories were not ashamed of what they did. You can describe Mr. Bennett's approach to tariffs as a boastful one. The approach of the present government, the Fleming approach, seems to be a furtive one, and it is its very furtiveness, bringing in something that is supposed to be so small that it cannot possibly do consumers any harm and will make those of us who oppose it look as though we were somewhat niggling, that in my opinion constitutes the gravest danger of all of this proposal.

This view is not mine alone. I know I cannot quote views that I am not willing to endorse, and I endorse with great enthusiasm the view of Professor Walter B. Harvey,