

The Budget—Mr. Deschambault

only shows this government's complete disregard for the serious problem of unemployment that now faces us.

We have criticized the government for its policy on unemployment. We have been accused by one hon. member in this house of employing Hitlerite tactics because we dared to expose the nature of the problem. I regret that the Associate Minister of National Defence should have used the words he did when speaking of the Liberals as Hitlerites and communists, because they were raising the problem of unemployment. I know that that hon. gentleman has repeatedly, in private at least, dissociated himself from the former leader of the Union Nationale, Mr. Duplessis, but I am surprised to see him now using the same tactics and indulging in the same irresponsible accusations and slanders that were used a few years ago by those with whom he said he did not associate. The hon. gentleman did not add to his stature in this house in making those statements.

Instead, those who are playing into the hands of the communists and Hitlerites are members of a government now charged with the responsibility of doing something about this problem, and who will not listen to the concrete suggestions put forward by a group who feel it is their duty to point out the nature of this situation, and at the same time to recommend constructive approaches for the solution of the problem. That is what we in the Liberal party have done. We are not ashamed of having exposed this problem. We are proud of the constructive suggestions we have made, and we ask the government to take note and follow our example.

(Translation):

Mr. M. Deschambault (Terrebonne): Mr. Speaker, I must, in the first place, congratulate the Minister of Finance (Mr. Fleming) for the masterly account he has given the house of the present economic situation.

However, may I say that I regret that no greater changes were made in the way of higher tariff in favour of some industries which I feel have a great effect on our national economy.

Let me refer, in the first place to the rubber footwear industry. As a result of absolutely unfair competition on the part of many European manufacturers and especially on the part of Japanese manufacturers, this industry is on its way out.

Indeed, Mr. Speaker, if we allow Japan to carry on its competition against our own footwear industries, those industries are bound to disappear in the very near future.

In support of those statements, let me quote briefly from a speech delivered in my constituency late last year by Mr. Paul Smith, vice president of the Dominion Rubber Company Limited to the chambers of commerce of St. Jerome, Acton-Vale, Granby and other municipalities.

Needless to say, the alarm sounded by Mr. Smith on that occasion proved practically justified all along the line, and I am very sorry to announce in this house that the Dominion Rubber Company, the main industry of the city of St. Jerome and even of my constituency, had to lay off several hundred employees, then shut down completely by the end of the year.

So that the minister and all hon. members may realize the serious predicament of those industries, may I quote a few figures mentioned by Mr. Smith at that meeting.

May I add that our exports of those products were the first to suffer from foreign competition, and that those conditions began in 1949 and have constantly deteriorated since. May I be allowed at this point, to quote a paragraph from Mr. Smith's speech:

The following year, i.e. 1950, definitely marked the collapse of our export trade, one which had been established some hundred years. In 1937, for instance, we exported seven million pairs of rubber footwear. Now that volume was practically non-existent in 1950. That year, Canada had to be content to export 384,000 pairs of rubber footwear, most of them of a more specialized type in which foreign manufacturers were not interested, and since then, this very small volume keeps decreasing.

There is, therefore, no doubt that our export market for rubber footwear has almost completely disappeared, perhaps forever.

Apart from that very substantial loss, our Canadian industry had to face a still greater and more acute danger, the arrival on the Canadian market of articles mainly of Japanese origin, at a retail price which was sometimes only a third of our production cost. Competition therefore became quite impossible for our people.

What did we do to help those industries? Again, Mr. Speaker, I shall borrow a paragraph from Mr. Smith's speech, and I quote:

Since 1955, representatives of that industry have been constantly engaged in discussing the matter with the federal authorities. First of all, there was a special inquiry by a joint committee of representatives from the industry concerned, the union and the government. The following year, the tariff board held a series of investigations and public hearings. A few months later, the board admitted in its report that the industry was, in fact, in a bad way, but no recommendation was made for the government to intervene. Later, there were meetings with cabinet ministers and government officials, and the tariff board launched