

industry was due to the size of the spinning mill which was not economical if it was, say, below 10,000 spindles. So only big companies could afford to have a spinning mill. Due to this factor the weavers were not able to have their own spinning mills. First of all they would have to have a variety of yarns. This was more and more creating a situation where big spinners either took over the weavers or big weavers started to go into the spinning business. Now with the new system anybody, a small weaver can become a spinner. We can have a spinning mill in this room. He can spin any fibres. He can be very flexible. He can make his own yarn. We provide the technical know-how. We provide what he can do, but the ingenuity of the user of the machine will be the master of what he does, because we provide a tool that is so flexible that there are no limitations actually on what he can make on it.

**Senator Blois:** Would the machinery be terribly expensive compared with frame spinning or mule spinning?

**Mr. E. Bobkowitz:** You cannot compare the conventional system with our system. If you compare it with one part of the spinning mill, the mule or spinning frame, this is just a section of it. We substitute a whole section. So we have to look rather at the overall benefits. In respect to the investment needed, our equipment will need maybe one-third of the investment needed now per pound of output.

**Senator Blois:** Yes, but you are doing away with carding of all types; it would be one machine?

**Mr. E. Bobkowitz:** Yes, he can start up high efficient production right from one machine, which is not now possible. Then we intend to rent the machine.

**Senator Kinnear:** What will that do to the cost of the finished yarn?

**Mr. E. Bobkowitz:** Of course you have coarse yarns, medium yarns, different types of fibre.

**Senator Kinnear:** Comparing them with your other machines, is it going to raise the price of yarn?

**Mr. E. Bobkowitz:** No, on the contrary it will reduce the price of yarn. That is exactly what our process is doing. The competitiveness of the textile industry can be improved considerably. I believe that if this

were applied properly in Canada we could switch around and become exporters instead of importers of textiles.

**The Chairman:** Exporters to Japan?

**Mr. E. Bobkowitz:** Yes, even to Japan. Because you see the labour content in our machines is such that we can compete. It is only a fraction of what it is in the conventional system, therefore we are not labour-sensitive any more.

**The Chairman:** But with all these advantages and after having discussed all these things with the industry in Canada, still there is nobody yet that you know of who is interested enough in your machine to buy it?

**Mr. E. Bobkowitz:** Oh, yes; they are interested, but—

**The Chairman:** They will be too late?

**Mr. E. Bobkowitz:** Yes sir, but they are not in a hurry and they are looking to Ottawa and to Quebec for financing, and so on, which is actually the right way to do it.

**The Chairman:** Have they made applications to Ottawa to get grants?

**Mr. E. Bobkowitz:** I would not know, but I think some of them, yes. I understand that there is one firm in Quebec who made some application. We ourselves made approaches to Minister Pepin and to Quebec in respect to assisting the spinners. We are still in talks, but the results are very slow.

**The Chairman:** If we were able to further reduce our import subsidies it would be very interesting I think.

**Mr. E. Bobkowitz:** That is what I have in mind. I am not speaking about the textile people here. To me the competitiveness is rather to assist the textile mill to buy new equipment and to be competitive than to put on an import barrier which will induce them to stay conservative.

**Senator Blois:** It would have the tendency of putting a great many people out of work, would it not?

**Mr. E. Bobkowitz:** It would actually increase the work. If one man in the world, let us say in India, the millions of people in India would buy one shirt more, that is to say if they could not afford to have two shirts instead of one shirt, we would have much