for them to fit them for other occupations. The textile workers are having a difficult time. There is widespread unemployment in the textile industry. The third industry that is having difficulty so far as employment is concerned is the agricultural implement industry.

These three industries are feeling the effect of the present situation. I stated to a group of agricultural implement workers, as has been said in the house, that I had noticed that the industries in trouble are those that have had the greatest proportional increase in wages from 1945 up to the present time. I put the seamen first, because in 1945 an able seaman was getting about \$45 a month, and up until recently he was getting something over \$200 a month. The textile workers come next so far as the proportional increase in their wages is concerned. In 1945 and 1946 agricultural implement workers were regarded as being in a rather low paid industry, but today they are higher paid than the automobile workers whom we always consider the aristocrats of labour.

I simply mention these things to indicate that both employers and employees have their responsibility in this transitional period. I always tell employers that this is the period that separates the men from the boys. This is the time when good management is going to pull an industry through and when bad management is going to result in its being in difficulty. In just the same way the workers have a responsibility. This is no time to go out and try to greatly improve working conditions. They have had three or four years of constantly improving conditions, and this is a year in which they should join with industry and all others who are trying to bring about a sound transition from the Korean period to a normal peacetime period.

Certain of our products have been priced out of the market. We found we could not operate deep-sea ships any more unless there is a subsidy of \$100,000 per annum per ship. We think that is evidence that we cannot compete in deep-sea shipping. We are not the only people who have felt the competition of southern United States textiles. Many mills in New England are closing down, and one or two have closed in Canada. But this is the competition of our highly organized labour with the unorganized labour of the southern states. That is a situation which presents serious difficulties for the industry and requires very careful handling indeed if our textile industry is to be stabilized.

That is the situation as I see it. I can assure the house that the government is doing everything it believes can be done to improve the situation. We are not panicking. We believe that we have the situation in

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hand. In January of 1950 there was very serious unemployment, more serious than today, while in June of 1950 there was practically full employment, and we believe that the pattern of 1950 will be repeated in 1954. I believe that as the season opens up we can expect a return to the employment conditions that we have had for the last several years and that we must have if Canada is to be a prosperous country.

**Mr. Fulton:** Would the minister permit one question before he finishes his speech? He used the figure of \$100,000 per ship as the suggested subsidy to keep the merchant marine in operation. Is the government satisfied that that figure is reasonably accurate? Is it a figure that may be accepted as a basis of discussion, or does the minister think there would be any wide variation?

**Mr.** Howe (Port Arthur): It was brought to us as an analysis of the labour and sustenance cost of a ship under the Canadian flag compared with a ship under the British flag. The figures seemed to be accurate and complete. I think it can be taken as a reasonable differential.

Mr. Angus MacInnis (Vancouver-Kingsway): Mr. Speaker, about this time two weeks ago we were discussing the problems of another group of Canadians who were in distress. It appeared to me throughout that discussion that the distress was a little synthetic or, for want of a better term, a little phony; but there is nothing phony about the distress of the people whose plight we are discussing tonight.

I find myself in the very difficult position that I cannot agree with the reasonable and unconcerned picture of the situation that has been painted by the Minister of Trade and Commerce (Mr. Howe) and the Minister of Labour (Mr. Gregg). I do not like not to do so, because all the cabinet ministers are nice. friendly fellows and I do not like to disagree with them. Someone said that if you are not a great man yourself, the next best thing is to say that you know a great man. So I get quite a lift when I am talking to my election committee back in Vancouver-Kingsway and I can tell them that I am on such intimate terms with the Minister of Trade and Commerce that I can call him "C.D." when we meet.

Mr. Knowles: What do they call him?

Mr. MacInnis: Or when I meet the hon. member for Bonavista-Twillingate—oh, excuse me, I should say the Secretary of State (Mr. Pickersgill)—in the corridors I call him Jack. Yes; when you are a little fellow