

Customs Tariff

his party the best of both worlds, because he did not come down on any side of the real issue.

Mr. Pearson: We are going to vote against the resolution.

Mr. Fleming (Eglinton): He still has not touched the ground on this subject, but it was left to the right arm of the Leader of the Opposition, the hon. member for Bonavista-Twillingate, to remove all doubts as to the position of the Liberal party on this subject. And that eminent authority on questions economic and fiscal and almost everything else has been very definite today in his remarks. I suppose all members of the committee will be very grateful to the hon. member for Bonavista-Twillingate for having eked out the very evasive speech of his leader and clarified for the understanding of us all the position of the Liberal party.

Mr. Chairman, the Leader of the Opposition did not attempt to deny that there is a very serious problem confronting the textile industry in Canada today. The question would naturally arise in the mind of any intelligent and responsible person: what is to be done about that problem? But that question, though posed by the Leader of the Opposition, was then carefully dropped, and not an inkling did he give as to what ought to be done about it.

Let one thing be clearly understood in this committee: this problem grew up under the former government. I was so rash as to ask the Leader of the Opposition at one point in his remarks what he would do about it. But he turned his back on that question, and we know just as much now as we knew before he started this morning with regard to what he would do about it. Nevertheless, we can find readily at hand an answer to an associated question which may help us to know what answer the Leader of the Opposition would give had he the temerity to reply to the question I put to him this morning. This is the other question: what did you do about it when you were in power? And the answer is that they did nothing at all about this problem, though it was growing up right under their eyes.

This problem did not burst suddenly upon the Canadian economy; these difficulties did not suddenly overtake the textile industry in Canada. The difficulties which the textile industry faces today have been developing for years in this postwar period and they have been growing acute for some years past. And, Mr. Chairman, there is not one thing that hon. members opposite—the four of them who were members of the previous government—can point to as having been

done by them to help to solve this problem or even to turn a helping hand to assist the textile industry. They simply ignored the problem.

I make one qualification. My predecessor, the former minister of finance, did something about this. I will not do him an injustice. He did something. But it was to take the pressure off himself and off the government. He directed a reference to the tariff board. And what a reference! He asked the board to inquire into the conditions of the woollen industry in Canada and, by no accident, he did not instruct it to make any recommendations. The tariff board, in accordance with his instructions, conducted this review and reported to the minister in February 1955 and, again, true to their instructions, did not attach to that report one single recommendation.

Why was not the tariff board instructed to make recommendations? That is a question which hon. members opposite have never answered yet, and one which they will not be able to answer. The fact is that that reference was initiated by the former government simply to take pressure off their own shoulders, and the textile industry was misled into thinking that the government was really serious in inquiring into the problems of the woollen industry. Let us clearly understand then the contrast between the irresponsible, do-nothing attitude of the former government and the steps which this government took soon after coming into office.

What member of this House of Commons who has any claim to knowing anything about conditions in Canada could fail to realize that the textile industry was in serious difficulties? The Canadian producers' share of the Canadian market had been falling, and indeed if you will look at the report of the tariff board on woollen fabrics, this recent report, No. 125, you will see it is pointed out that in 1954 domestic manufacturers supplied 62 per cent of the woollen goods sold on the Canadian market. But by 1956 and the first half of 1957 a very different situation existed. By that time Canadian producers were supplying only 48 per cent of the requirements of the Canadian market and, in contrast, imported supplies rose, as is shown on page 18 of the report, by more than four million yards in 1956 and by nearly two million yards in the first half of 1957.

Thus it is not hard to understand why the textile industry felt that their difficulties were associated with the very serious decline in the share of the Canadian market enjoyed by Canadian textile producers. What did