

Mr. Ralph Ferguson (Parliamentary Secretary to Minister of Finance): Mr. Speaker, Canada's policy for the textile and clothing sectors is based on the complementary elements of industrial adjustment and trade policy. With respect to adjustment, the policy seeks to establish viable and competitive textile and clothing firms through a variety of measures including the allocation of some \$350 million over the 1982-86 period to be managed by the Canadian Industrial Renewal Board.

Regarding trade policy, as you are aware, Canada is a signatory to the multi-fibre agreement, which recognizes that developed countries may require temporary relief for their textile and clothing industries to allow them time to adjust and to increase their competitiveness with respect to disruptive imports from low-cost exporting countries. Accordingly, bilateral restraint arrangements for the period to the end of 1986 have been concluded with 21 low-cost suppliers of textiles and clothing to Canada with these having been concluded in the current year.

The Canadian textile and clothing sector is facing an increasingly serious situation as a result of low-cost imports. In this regard, imports increased by 25 per cent in 1983 and another 20 per cent in the first five months of 1984.

As a result of the import problem in the clothing sector, Canada has made several recent efforts at negotiating intended to address the problem within the framework of the multi-fibre agreement and the bilateral restraint arrangements.

One of a series of new initiatives was announced on July 21, 1983. These measures included seeking a more controlled flow of import shipments throughout the year, stricter customs inspections at ports of entry and examination of duty drawback and remission schemes.

Since that time, negotiations for new restraint arrangements with several sources, and expanded coverage under existing arrangements, have also been negotiated. Only last month, notifications were also made on nine additional low-cost sources for further restraint negotiations.

A Textiles and Clothing Advisory Committee has also been established by the Minister for International Trade (Mr. Regan), representing a range of private sector interests, that is, producers, consumers, retailers, importers and labour et cetera. The Committee was formed to advise the Minister on international trade issues having a bearing on the domestic textile and clothing sector. The Committee has had several meetings and recently submitted a set of consensus recommendations to the Minister. These proposals, which focus on the unilateral imposition by Canada of global import quotas for clothing rather than the current bilaterally negotiated restraint regime, will be the subject of careful consideration by the Government.

In addition, the Minister of Regional Industrial Expansion (Mr. Lumley), has established a private sector task force to review the development, competitive environment and position of the Canadian textile and clothing industries and to make recommendations to the Government aimed at assisting the

industry's restructuring and modernization plans and enhancing their international competitiveness. A report by this task force is expected around the end of September.

• (1810)

REGIONAL DEVELOPMENT—WORKERS' CO-OPERATIVES—
REQUEST FOR GOVERNMENT SUPPORT. (B) HOUSING
CO-OPERATIVES

Mr. Stan J. Hovdebo (Prince Albert): Mr. Speaker, co-op housing is being attacked in Canada. During the last three months the Government has moved to eliminate non-profit co-op housing, and it has done so very surreptitiously by cutting down on its allocation. The infrastructure which has made the co-op housing program work well during the last few years is dependent upon this allocation. Having reduced the funds to co-op housing, the Government has devastated the regional infrastructure for co-op housing so that one third of the association will die, one third will be unable to provide service and one third will basically reduce their service. The Government therefore is in the process of eliminating co-op housing.

Co-op housing is one area of the co-operative community which has the greatest social impact. The Government has been devastating co-op housing even as it has pretended to be very supportive of co-ops. It mentioned co-ops in the Speech from the Throne and in the Budget. It paid for a co-op task force and appointed a Minister responsible for the interface with co-ops. However, its first move has been to devastate co-op housing.

I dwell upon this subject a little more than necessary because when I asked a question on co-operative development on May 29, I received a brush-off. Obviously the Minister had no idea what I was talking about when I suggested that we needed to establish a parallel infrastructure for workers' co-ops. The Minister's answer indicated acceptance of all proposals.

I wish to reiterate today the need for support. There is a Spanish model which would work well. Also there is a French legislative approach to which we could look as a model. Will the Government put in place a support system which will assist the co-operative movement to develop? Will it put in place a financial structure to help workers' co-ops to develop the necessary expertise and to conduct the necessary research to develop workers' co-ops? Will it do what is necessary, not approach it in the same way as it has approached co-op housing? Will it allow the development of an infrastructure by keeping in place the financing which has gone to housing co-ops, not devastating the possibility of workers' co-ops by removing any support which might be available?

Housing co-ops could use more support. They are losing it as a result of the reallocation of money. If that is the Government's approach to assistance to co-operatives, it will do more harm than good to the co-operative movement.