

continuation of export growth in the economy. I think this is something we can take some comfort in, that it is not all the black picture which my hon. friend and the Leader of the Opposition seek to portray here. It is important to recognize that we talk about these things with a good deal of balance, recognizing that there are difficulties, but also recognizing that there are some positive elements in the economy today.

• (1430)

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the sharp drop in U.S. interest rates yesterday just widened the gap between our rates and the American rates.

Canadians are suffering the permanent loss of jobs in the manufacturing sector, and the minister knows that, and personal and corporate bankruptcies are reaching an all-time record in this country.

How does the minister explain to Canadian businessmen, who are facing high interest rates and a high Canadian dollar, how they are going to be competitive and how they are going to survive in this climate, that was created as a definite plan by the government and proposed in its February budget? What is the minister's answer to Canadian business, if he does not want to answer us?

Some hon. members: Hear, hear.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me just point out that in the past couple of months we have seen a narrowing in the interest rate spread between the United States and Canada of 150 bases points. So, we are responding to the concerns that the hon. member has referred to just now. We talk a lot to business people and are hearing those same concerns but we have also responded.

My hon. friend has asked why we got into that position. In 1988 and 1989, it was a very clear picture that we were looking at of strong inflationary pressures in the economy. If we had ignored those problems, if we had let the inflation get out of control, as it did in the seventies and early eighties, those same business people would be facing considerably higher inflation rates today and considerably higher rates of interest and that would have resulted in considerably higher levels of unemploy-

ment. That, Mr. Speaker, is what we are trying to avoid with the policies we have been following.

Some hon. members: Hear, hear.

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ETHIOPIAN FAMINE RELIEF

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, if I may say so I, too, congratulate the hon. member for Windsor West for his work as Leader of the Opposition and I think we all have appreciated his contributions.

Some hon. members: Hear, hear.

Ms. McLaughlin: My question, Mr. Speaker, is directed to the Deputy Prime Minister. It has been a very difficult year for Canada with high unemployment, a recession, and serious questions of national unity and we have all done a lot of soul searching in the House.

But I would like to take this time to look outside ourselves as well, because as a nation we do have a responsibility for people who are in much worse circumstances than ourselves and not ignore the fact that millions of human beings, around the world, are starving during this holiday season. I think we really should look at our role as a nation. There are some four million people starving in northern Ethiopia and it is suggested that what is needed, through Oxfam Canada, is \$1.75 million.

Will the government commit to ward off this famine and commit now to that \$1.75 million, so that the people of northern Ethiopia can have a happy holiday season too?

Some hon. members: Hear, hear.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, may I, before I begin my response, add my heartfelt congratulations to the Leader of the Opposition on being relieved of that post. Some of us know what a great deal of satisfaction leaving that post can be. And may I also—

Some hon. members: Oh, oh.

An hon. member: Explain.

Mr. Clark (Yellowhead): Oh, I think there is room for a little ambiguity.

Let me also express to the Leader of the New Democratic Party our congratulations to her on her