

Adjournment Debate

Mr. Couture: Naturally, we cannot confuse interest rates with all that. We are talking about borrowing authority and treasury requirements—that is what we should be talking about, but we can talk about interest rates for 30 seconds.

Mr. Hogue: We understand.

Mr. Couture: Interest rates—Naturally, our monetary policy is designed to get Canadians through economic situations with the government in control. We remember very well that the Liberal government did in 1979, 1980 and 1981 when it lost control of demand pressures.

Mr. Hogue: Deplorable!

Mr. Couture: Interest rates were 22, 23, 24 per cent—

Mr. Hogue: Unacceptable!

Mr. Couture: —which our government and our Minister of Finance absolutely do not want to see happen again. As long as there will be inflationist pressures in the country, I think it is perfectly appropriate to use the monetary policy to alleviate those pressures for the benefit of all Canadians in years to come, because we do not want 24 per cent interest rates anymore. You have allowed that, but we are not going to allow it. We are going to manage this country in such a way that, by 1994, we will have met our goals.

Mr. Speaker, I believe this delineates precisely Bill C-65, an Act to provide the government with the borrowing authority it needs to replenish its cash flow. I guess the members opposite also know well where this requirement comes from. It is not new, it goes back a number of years and results for a large part from the very poor economic performance of the former government which, of course, forces us today to take the necessary steps to put the government and indeed Canada in its proper place.

Mr. Plamondon: Mr. Speaker, I would like to congratulate my colleague from Saint-Jean on his excellent speech, particularly when he reminded us of what the opposition did when it was in power. The hon. member would probably like to tell us about the disastrous effects that the 22, 23 and 24 per cent interest rates under a Liberal government had on his riding of Saint-Jean. Could he give us a few examples of what happened in his constituency when the interest rate was 22 per cent and investments dried up?

Mr. Couture: With pleasure, Mr. Speaker. In 1982-83, interest rates in the country were going unchecked. The then Minister of Finance did not attempt to use the monetary policy to control inflation and prevent interest rates from reaching 24 per cent. Obviously, when interest rates fluctuate between 20 and 24 per cent, the vast majority of businesses experience major difficulties. In our riding, like everywhere else in Canada, some had to close up shop because they could not meet their expenses.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1900)

[*Translation*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

EXTERNAL TRADE

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, I welcome this opportunity to draw the government's attention to the situation in the textile and clothing industry.

On May 24 last year, almost a year ago, I asked the Minister for International trade about fraud charges laid by Canada Customs against Canadian textile importers concerning merchandise manufactured in Korea, shipped to front companies in Japan and transhipped to Canada as merchandise of Japanese origin, thus violating bilateral agreements and section 17 of the Export and Import Permits Act.

Since Canada's major textile companies happen to be in my riding and I am a former textile worker, I am of course very much concerned about the industry.

Mr. Speaker, perhaps I may recall that the textile industry and its principal customer, the clothing industry, have close ties. The latter industry buys nearly 40 per cent of textile production, which represents as much as half of its production costs.

Like Canada, the riding of Drummond has a great deal at stake in the textile and free trade talks.