

*Oral Questions*

borrow more money. I hope she is not suggesting that we go the Liberal way, that we borrow more money and get higher interest rates.

Interest rates of course are the result of a very volatile situation, but we have done our share as a government and will continue to do it. The rate that went up by 11 basis points today is already much lower, three times lower than it was during the Liberal period.

We have done our share and we will continue to do it. I am convinced that with our policy interest rates will continue their decline as they have over the last 14 months.

**Mrs. Diane Marleau (Sudbury):** Mr. Speaker, with help like that, it is no wonder we are in trouble.

[*Translation*]

Mr. Speaker, the one and only time that Canada had no inflation was during the Great Depression of the 1930s. I therefore ask the minister: Now that the inflation rate is almost zero, can he give us a good reason for today's rise in interest rates?

**Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)):** Mr. Speaker, I would like to remind the hon. member that we must be clear when we talk about increases in the interest rate. Eleven basis points is quite normal, because when interest rates go down, there are ceilings and plateaus. This is quite normal and I prefer our plateaus to the deep hole that was dug when the Liberals were in power and interest rates were sometimes over 20 per cent.

As a government, we have done and will continue to do everything to ensure that these rates go down without borrowing money that Canadians do not have and without increasing taxes, so that the economy can recover.

We are doing our part and we are sure that the economy will respond.

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[*English*]

**FISHERIES**

**Mr. David D. Stupich (Nanaimo—Cowichan):** Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

In his 1990 report, Professor Harris stated that it was difficult to contemplate a capelin, a crab or a shrimp fishery that would not impact on the cod resource.

Assuming the minister agrees with this, does he not also agree that we must examine the licences for all vessels licensed to operate within the 200-mile limit to see to what degree, if any, they are interfering with the endangered cod stocks or the cod food?

**Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency):** Mr. Speaker, I think the hon. member might be getting confused by the hon. member for Gander—Grand Falls who often gets mixed up on this question.

At the present time I am reviewing very carefully the use of foreign fishing vessels within the 200-mile zone. No foreign vessels are allowed to fish within the Canadian 200-mile economic zone unless it is in the national interest of Canada and there is a request from our fishing industry or the fishermen's union for them to do so. They are only allowed to fish for species, otherwise, that we do not catch ourselves or use ourselves. Every foreign vessel that fishes within the 200-mile limit has a Canadian observer on board. So we know exactly what they are doing, what species they are catching, what they are discarding, what their actions are, and we make sure they observe our rules and regulations.

Our problem is not caused by foreign vessels fishing within the 200-mile limit. It is caused by foreign vessels fishing in an unrestrained manner outside the Canadian 200-mile economic zone where international law does not permit us to exercise authority.

As the debate today shows, our patience may not last forever.

**Mr. David D. Stupich (Nanaimo—Cowichan):** Mr. Speaker, what the minister said may be the truth but not the whole truth.

**Some hon. members:** Oh, oh.

**Mr. Stupich:** No, it isn't. It is not just one factor that is endangering the cod stocks. It is a whole host of them.

One of them is that the quota for this year was set, I believe, at 120,000 tonnes; it was reduced from a higher figure of 185,000 tonnes to 120,000 tonnes according to a fairly recent press release. Professor Harris recommended some four years ago, in view of his state of alarm about the depleting cod resource, that it should have