

levels of clothing imports for selected product areas where the import competition facing the industry is particularly serious. "In view of the Government's intentions with respect to the regulation of imports, importers are advised to exercise caution in entering into forward commitments", Mr. Lumley stated.

Mr. Lumley stressed that imports of a number of clothing items in 1982 had increased significantly with serious implications for the business climate within which the industry is pursuing modernization and restructuring programs. He said that these increased imports are coming at a time of particular softness in the clothing market in Canada, and that they have contributed to declines in production and employment. "I would encourage Canadians to buy garments made by their fellow Canadians during this difficult period," Mr. Lumley stated.

The Minister emphasized the Government's expectation that the companies concerned will observe the 6%/5% guidelines in their non-union salary and wage settlements and in their prices. Indeed, the Government expects both companies and their unions to observe the guidelines in the collective agreements which expire during the period of the 6%/5% program.