

Oral Questions

budget, and a number of steps even before the last budget, with regard to assisting farmers.

The fact is that interest rates were indeed very high, but they have come down quite substantially in the last year. We have been able to achieve this because, in spite of the opposition of the New Democratic Party, there has been strong support in the country for reducing inflation, and for the six and five program in particular. This has helped us all around to bring our interest rates down at least to the levels they are in the United States. We have succeeded in doing this in spite of the opposition of the NDP.

Mr. Broadbent: Madam Speaker, in spite of what the Minister said, everyone, including farmers, knows that they are experiencing a record number of bankruptcies. As the Minister of Agriculture has pointed out, that has everything to do with the exorbitant interest rates the banks are charging our farmers.

REQUEST THAT GOVERNMENT REDUCE INTEREST RATES

Hon. Edward Broadbent (Oshawa): Madam Speaker, I should like to come back to the general question of interest rates. The Minister knows that it is not only the New Democratic Party but the Economic Council of Canada, the C.D. Howe Institute, Statistics Canada, the Economic Council of Canada, and all kinds of other groups outside the House of Commons, that have been telling the Minister that, unless we bring down interest rates, the economic recovery that is partially under way will become completely stalled.

Will the Minister live up to the 1980 election campaign promise the Government made to bring down interest rates, so that we can do something about the jobs that are needed so badly in our economy?

● (1430)

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, I would remind my hon. friend that indeed interest rates have come down quite significantly in the last year. As a matter of fact, today you can get a consumer loan at as low a level as it has been for the last 25 years, between 11 per cent and 13 per cent. If you had tried to buy a car in 1970 and you went to a bank, you would have had to pay between 11 per cent and 13 per cent on that loan. This is the type of loan you can get today. Therefore, in terms of reduction of interest rates, compared to where they were six months ago, where they were a year ago, and a year and a half ago, there has been a tremendous success in this country. We are going to try to press on with this.

I invite my hon. friend to come out of his dream world and face the real world where we are very interdependent with what is happening in the American economy. That is not only Canada, but it is the fate of all western industrialized countries. This is why, at the Economic Summit at Williamsburg, at the IMF and in the OECD meetings, we have urged, together with other industrialized countries, the American

authorities to do everything they can to bring down real U.S. interest rates.

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TRADE

EXPORT OF POTATOES TO UNITED STATES—U.S. TRADE COMMISSION'S RULING

Mr. George Henderson (Egmont): Madam Speaker, my question is directed to the Minister for International Trade. I guess he is not in his seat right now.

An Hon. Member: Here he is.

Mr. Henderson: On Monday of this week the United States International Trade Commission ruled that there were no unfair trade practices in the exportation of Canadian round white potatoes. This, of course, was tremendous news for the potato producers and shippers in eastern Canada. However, I am wondering, Madam Speaker, if the Minister could inform the House if this ruling is final and if the eastern Canadian producers can now be assured that no further action will be taken by the U.S. Government?

Hon. Gerald Regan (Minister of State (International Trade)): Madam Speaker, the Hon. Member refers to an anti-dumping investigation against Canadian potatoes in the eastern United States market. We are, of course, extremely pleased that the findings of the U.S. Trade Commission were to the effect that there was no injury done by Canadian exports into the American market.

Some Hon. Members: Hear, hear!

Mr. Regan: I think it is appropriate to say a word in that regard about the American administration. As in the case with the danger to our lumber exports a year ago, once again the American administration has shown that it follows a proper judicial approach and it indeed supports trade on a liberalized basis between our countries. I want to pay tribute to the Horticultural—

Some Hon. Members: Order.

Mr. Regan:—Council of Canada—

Madam Speaker: Order, please.

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NATIONAL REVENUE

TAX REASSESSMENT OF SMALL ENTREPRENEURS

Mr. Bob Corbett (Fundy-Royal): Madam Speaker, my question is directed to the Minister of National Revenue. This band of brigands has gouged the most vulnerable part of the private sector in this country, the small entrepreneur, the small part-time farmer. I would like to ask the Minister what he