

dollar being at that level on the part of manufacturers, the Exporters Association, and every province west of New Brunswick, will the Minister of Finance tell us why his Government does not take some measures to reduce the real interest rates that Canadians have to pay?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Hon. Member refers to a high interest rate policy. I want to remind him that interest rates are lower today than they were in October of last year. They are lower today than they were when we came into office three and a half years ago. We are following a balanced economic policy.

If I may, I refer him to the Ottawa *Citizen* headline, "Canada's Economy Second Best in the World". The OECD is projecting that our economy is going to be second only to and just slightly below Japan for 1988 and 1989. That is because we have followed a balanced economic policy designed to ensure that we have non-inflationary growth, and that creates the jobs that are so important to us right across the country.

I should also call his attention to the fact that this morning we had further indications of the health of our economy. Some 68,000 jobs were created last month, and that brings us to a total of a little over 1,300,000 jobs created since September of 1984.

Some Hon. Members: Hear, hear!

[*Translation*]

ECONOMIC DEVELOPMENT—GOVERNMENT POSITION

M. John Parry (Kenora—Rainy River): Mr. Speaker, my supplementary question is this: In view of the fact that yesterday, while the Prime Minister was announcing his assistance package as a way to secure a by-election victory in Quebec, the Quebec Premier was again blaming the Bank of Canada for its policy, why does the Government not take the necessary steps to make sure that interest rates are decreasing and that the economic development is shared fairly throughout this country and not just in the Toronto area?

● (1140)

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I cannot understand the logic which the Hon. Member has just put before the House of Commons. First he complains about the interest rate policy which we have been following in order to achieve the non-inflationary growth to which I referred. He does not like that. He does not like the results because the results are very bad for his political Party.

The second thing he complains about is the fact that we are addressing the concerns of regional development in the Province of Quebec. That is precisely the balance which Governments are trying to achieve and must achieve. You can be very focused in the direction of fiscal policy to direct funds to address regional disparities, which is what the announcement yesterday in Quebec was designed to do, and at the same

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time address a broad economic policy to deal with the inflationary pressures we are seeing in the country today.

That is the balance we have achieved. That is the reason why we have been able to get the successful economic performance about which the OECD is talking and projecting into 1988 and 1989.

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ENVIRONMENTAL AFFAIRS

NIAGARA RIVER POLLUTION

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in the absence of the Minister of the Environment my question is directed to the Deputy Prime Minister. Canadians are alarmed to learn that the levels of dioxins along the Niagara River have gone up 10 times over the past two years. At the same time we learn, with dismay, that the Government has decided to cut by 42 people the number of scientists, technicians, and support people working in the conservation and protection service of Environment Canada.

How can the Government keep up its commitment to the Americans to clean the Canadian side of the Niagara of PCBs, dioxin, mercury, phenols, and other toxic substances, with a reduced staff?

Hon. Don Mazankowski (Deputy Prime Minister and President of the Privy Council): Mr. Speaker, far be it from me to remind the Hon. Member once again, because he has been reminded by the Minister of the Environment, of the dismal record of the previous Government compared to what we have done as a Government. Particularly when it was under the Member's leadership there was very little done.

I could go on and talk about the list of achievements which have been instituted by the Minister of the Environment. They include the Niagara River Toxic Management, the '87 Protocol on Great Lakes Water Quality, the action with respect to the international protocol on the ozone layer, the clean-up of the St. Lawrence, the clean-up of the Windermere Basin, the establishment of a new Environmental Protection Act, a new National Parks Act, and establishment of four new national parks.

I could go on and on, Mr. Speaker. I find it rather picayune for him to suggest one minute detail to which he takes exception.

Mr. Caccia: Mr. Speaker, at the next election the people of the Niagara Peninsula will not judge how the Liberal Government performed before 1984, they will judge how this Government is performing or not performing during this term. This is not a picayune matter to millions of Canadians in the Niagara Peninsula who are represented by at least six or seven MPs in this House.