statistical terms. We became concerned because the unemployment rate in Canada moved from 11.2 per cent to 11.4 per cent. The figure of 11.4 per cent was bandied around in the House of Commons and throughout the country as indicative of the problem facing the Canadian economy today. Or we may talk in terms of 1,468,000 Canadians unemployed today.

Mr. Speaker, I believe that to a certain extent those statistical terms do not give us a real understanding of this problem. If we appreciated just how devastating and tragic this situation is, I am convinced that the Government would be inclined to take some action. I believe the Government would take steps toward the reduction of interest rates or the capping of them at their present level, toward introducing programs which would provide relief to those sectors of the economy which are especially hard hit as a result of interest rates, and toward providing some encouragement and relief to those sectors in which job creation could take place. I refer specifically to the small business sector.

Perhaps another way to appreciate what the unemployed in this country really represent is to view them as being parts of other political jurisdictions. For example, if we took all of the people in the Yukon Territory and the Northwest Territories and added to that group everyone in the Provinces of New Brunswick, Nova Scotia and Prince Edward Island and a few more people from Newfoundland, we would have the number of people in Canada who are presently looking for, but cannot find, work. That does not include their sons, daughters or spouses.

Another way to look at it, Mr. Speaker, is if we took everyone in the cities of Edmonton, Calgary, Saskatoon, Regina and Winnipeg, that would represent the number of Canadians who want to work today but cannot find work. That is an incredible number of people, Mr. Speaker. There are nearly two million Canadians who, under normal conditions, would be working today and circulating money through their large and small communities. They would be buying goods and services and revving up the economy. Of course, with that number of unemployed, it is impossible. That is why we are primarily discussing interest rates today. It is the interest rate policy being pursued by the present Government which keeps interest rates tracking those in the United States. It keeps interest rates today at a prime rate of 12 per cent.

● (1150)

All indications are that this rate will likely increase in the weeks and months ahead. The assumption that we make in the New Democratic Party is that at these present levels, let alone the escalating levels in the weeks and months ahead, it is impossible to have sustained economic recovery in Canada. It will be absolutely impossible to consider a recovery continuing with interest rates at these or higher levels. It is in that atmosphere that we believe that independent action must be taken.

I do not want to spend too much time this morning talking about Liberal policy because I believe we are well aware that the Minister of Finance (Mr. Lalonde) and the Prime Minister (Mr. Trudeau) have said that the Liberal Government is impotent, like financial eunuchs, and that there is very little it can do to set us apart from Paul Volcker in the United States. Mr. Volcker, as chairman of the Federal Reserve Board, is essentially setting our interest rates in Canada which means that an American bureaucrat is deciding what economic action will be taken in Canada. It is a sad day when the Minister of Finance, the Governor of the Bank of Canada, the Prime Minister and the Canadian Cabinet set aside their responsibilities and look to that American bureaucrat in the United States to decide what we do in Canada. I suspect that there are not many other countries whose governments have sat back and depended on another country for guidance in policy decisions in their country, or to let a foreigner set critical economic policies.

I do not believe much can be said about Liberal policy. It is well understood that Canada is tracking United States interest rates. The Liberals are continuing to implement a tax system that sees our deficit grow at each Budget. Naturally, if taxes are not collected as they should be, the deficit will go up. If all kinds of hand-outs are given to individuals or corporations which do not need those hand-outs, of course the deficit will rise. That is the point our Party has been attempting to make. Our tax system is a major contributor to fuelling the deficit situation which exists today.

Deferred taxes to corporations amounted to approximately $25 billion in the past year alone. That is virtually the entire deficit of Canada just in deferred corporate income taxes. While I know it will be said that these taxes will be paid back, I recently read a quote from one of the senior executives of Consolidated Bathurst who, when asked about these deferred taxes and when his company intends to pay them back, made the very specific and short answer: "Never". I believe many people hold the assumption that these deferred taxes from year after year and decade after decade will never be paid. That is only one example.

We can talk about the PIP grants to the oil companies. I suggest that the oil companies may almost be embarrassed about receiving billions of dollars from Canadian taxpayers who pay such an exorbitant amount of their exploration costs. I suspect that those in the corporate board rooms are almost embarrassed to be taking the Canadian public for such a ride.

Mr. Epp: You supported it.

Mr. Riis: The New Democratic Party never supported PIP grants.

Mr. Epp: The National Energy Program.

Mr. Riis: I could ask who supported PIP grants when they came to the floor of the House.

Let me deal with the Tory policy. I listened with interest to the Hon. Member for St. John's West and I must say that I never heard so much bafflegab. I would like to call it another word that begins with "b", but it would be unparliamentary.

Mr. Crosbie: You mean baloney?