

billion to \$50 billion. During the Second World War the Government of Canada ran a deficit of some \$80 billion in 1984 dollars.

In fact, if the vast majority of Canadians could be put back to work the Government could save \$76 billion. The Government could make a substantial saving by putting people back to work through stimulating the economy in those areas which provide the best opportunity for work.

The constituency I represent is a regionally disparaged area. We have been suffering this circumstance under successive Liberal and Conservative governments since Confederation. We want a better deal. We want an industrial strategy that speaks directly to the question of eliminating regional disparity. We want a government that is more concerned with devising means to bring down unemployment with goals for creating employment rather than setting targets to cut deficits. If this were done I believe that those of us in areas of the country which need an industrial strategy and employment would be much better off, by working and maintaining our dignity in our community.

Mr. St. Germain: Mr. Speaker, it surprises me that the Hon. Member would criticize the Liberal Government for its programs when, in 1980, his Party voted with them, as he stated in his remarks today.

Mr. Fulton: It was 1979.

Mr. St. Germain: It was 1979 but you continued in 1980. You have been bed partners with them for so long that there is no difference.

Mr. Althouse: You voted with them more than anybody else.

Mr. St. Germain: I do not know the Hon. Member's background but he advocates not only leaving the deficit alone but adding \$30 billion to it.

I can tell the House where the jobs have gone. Small businesses have been destroyed by high interest rates that have been brought on by the deficit. The Hon. Member opposite is advocating more of this.

The major concern of every economist and anyone who knows anything about business is high interest rates. The Hon. Member stands in his place and advocates escalating the deficit. I would like him to explain that.

Furthermore, he said that he advocates throwing more money into job-creation programs that are merely band-aid programs. Their bed partners, the Liberals, have been doing this for four years. What has this accomplished? We have one of the highest levels of unemployment in the western world.

The Hon. Member talked about the unemployment which the people of his area are suffering. He should visit Mission-Port Moody to see what unemployment is like as a result of the devastating deficit and irresponsible government.

Mr. Rodriguez: Mr. Speaker, I thank the Hon. Member for giving me the opportunity to enlighten him. If he were to

examine the records—I recognize he has only been here a short time—he will notice that the Conservative Party voted with the Liberals more often during that minority period, 1979 to 1980.

Second, while I am not endorsing what Ronald Reagan has done in the United States, the fact is that he increased the deficit in the United States. While our Party would never agree to increasing the deficit in defence spending, and does not applaud President Reagan for doing so, it is an example of a conservative president—the arch conservative of conservatives—in the most powerful nation in the world being unconcerned about the deficit. He went on a spending spree in defence spending. The United States has an unemployment rate of 7 per cent that we would be quite happy with here.

Mr. McDermid: That is on defence spending. Do you support that?

Mr. Rodriguez: We have not suggested throwing money at make-work projects. It has long been our belief that the central bank in this country, which is controlled by the Government, ought to set the interest rates. Interest rates should be related to the inflation rate, but we have an inflation rate of 3 per cent and an unemployment rate of 11.2 per cent. That is shameful but the Hon. Member supports that. It is no wonder that the Canadian banks are the richest in the world. We should establish an industrial strategy which deals with interest rates.

I am sure that the Hon. Member's constituency is comparable with mine. We have problems in attracting secondary industry to our area. The deterrents include transportation costs, the availability of power and the accessibility of capital. There should be an industrial strategy developed with the federal and provincial governments—the Ontario government in my case—to ensure that we have the means to attract industries to those areas which only have one industry at this time. As well, there should be deterrents to keep industries away from highly developed areas such as the Golden Horseshoe, where the environment will not be able to sustain the millions of people estimated to be living there by the year 2000. There should be a two-pronged industrial strategy.

We agree that it is necessary to lower interest rates, but it should not be left to some magical downward flow from heaven. We believe the Government has the responsibility to lower interest rates and should exercise that responsibility.

Mr. Deputy Speaker: The Hon. Member for Gander-Twillingate (Mr. Baker) on a short question.

Mr. Baker: Mr. Speaker, I wish to welcome the Hon. Member back to the House after a long absence. I do not know if that will be completely advisable in the long run. The Hon. Member was also interested in summer employment for students. What are the prospects for next summer?

Mr. Rodriguez: Mr. Speaker, I am pleased that the Hon. Member asked that question. Nickel Belt has one major employer, International Nickel, and a minor employer, Falcon-