

Today the government's expenditures and revenues are about equal. The shortfall is in debt payments. The member talked about high interest rates. Normal Canadians say that they are going down, that they are about 5 or 6 per cent on their mortgage so that is great.

What does the hon. member mean when he says that interest rates are still too high and that one of the problems caused by this government right now with regard to the debt is in the monetary policy? Could he comment on that?

Mr. McCurdy: Mr. Speaker, I thank my colleague for the question.

Yes, we are talking about real interest rates. That is the difference between the cost of borrowing and the increase in the CPI.

The fact is that right now and for this past decade for the first time our interest rates have been as high as they were during the Depression. That is very interesting. Only in the last Great Depression, and I mean the thirties, were real interest rates as high as they are now.

Not since the thirties has there been such unencumbered freedom for transnationals and financiers to advantage themselves. There are so many parallels between now and then that it ought to cause us all to wonder. Did we not learn from the Depression that we cannot have a world in which the selfish greed of corporations can be pursued without limits, controls or regulations because inevitably that will be at the expense of the vast majority of people. That cannot go on.

Right across this world, across this land and across Europe we are seeing the results of it as unemployment mounts. All other statistics indicate economic growth, whether it be GDP, inventories or any of those things that this government cites, but the fact of the matter is that unemployment continues to mount.

Germany, a nation that has had an unemployment rate of 4 per cent or less for many years, today has an unemployment rate of 12 per cent. That is the inevitable result of a system in which corporations are free of any obligations to any nation. A policy such as that which has generated the deficit, which favours corporations as the Liberals did to an extreme and as the Conservatives are doing now to an equal extreme, is a policy that means

devastation for too many, as we see now, and that must change.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I want to compliment the hon. member from Windsor on the speech he just gave. During his work career I know that he was a teacher at the university I attended. I thought he would have taken some of the economic courses for which the University of Windsor is noted.

I was interested in his remarks with respect to how he anticipates he could bring the budget we are discussing here today under a zero deficit and start paying off the debt.

• (1700)

It appears to me that on the one hand what he is saying should be applied, but to the Government of Ontario. On the other hand, perhaps what we should be doing is consolidating his thinking in respect to the creation of jobs and the reduction of the deficit with respect to what this government across is doing for the whole of Canada and what he is proposing should be done by this government.

Given the realities of governments, which Premier Rae is beginning to realize today, how does the member propose putting those philosophical issues that he propounded here today in this House and apply them to the province of Ontario? The province of Ontario is the economic generator for Canada and if we could get Ontario going again then certainly we could get Canada going again.

Mr. McCurdy: Mr. Speaker, as the hon. member indicates, I did once teach him but I failed. I took all of those economic courses at the University of Windsor and I guess he failed there too.

Ontario is a classic example of the subtlety with which the neo-conservative agenda has succeeded. I am not talking about the cuts in transfer payments to the provinces. I am not talking about the increased burden of social assistance payments that have been imposed upon the provinces. I am not talking about the inequity of this federal government in its treatment of Quebec versus