created Investment Canada to encourage and welcome capital from abroad. We know how successful that has been today.

The importance of a flexible set of regulations in which the private sector can operate seems to be lost on the Opposition. In fact, the importance of the private sector is completely lost on our socialist NDP friends. They said that the private sector would not respond to the challenge of creating jobs. That is what they said in 1984, 1985, 1986, and 1987. They said that the private sector would not respond and create jobs if we made a climate that encouraged investment.

There are 1.150 million new jobs in Canada. Some 80 per cent of them are permanent jobs. The majority of those jobs are now held by the women of our country. Yet the Opposition said that that could not happen. That is how wrong they were. The 1.150 million jobs is a pretty good response.

Why I am amplifying that, Madam Speaker, is that our hon. friend, the Hon. Member for St. John's East (Mr. Harris) rose yesterday on debate and stated that Governments do not create jobs. He is correct; Governments do not create jobs, the private sector creates jobs. That is where those jobs have been created. I compliment the private sector for creating those jobs.

The other policy that is part of this whole program is tax reform, and making the system fairer to individuals in order that we can compete in international markets. If someone goes out to work and is asked to work overtime or to work a little harder, he will if they knows that he can keep a lot of that money in his pocket. If that person has to turn around and pay it out in taxes, he will surely say he would rather have the time off.

Now there are three tax brackets. Personal income tax has been reduced by some 8 points. Therefore, people now want to go out and work. That means there will be more productivity and more competitiveness with the rest of the world. Starting this year Canadians will pay less personal income tax; 8 out of 10 households will have personal income taxes reduced; 850,000 low-income individuals will have their taxes reduced to zero; 850,000 people in Canada will no longer pay taxes; 9 out of 10 Canadians who are over 65 will have their income tax reduced or eliminated. In the corporate sector, corporate income tax rates have been lowered.

The third policy that we had to create those jobs and increase the economy was securing and enhancing access to foreign markets. We know how important the export market is to our country. Trade with the United States directly or indirectly creates 3 million jobs in our country. Why would we sit back and not do anything when we saw elements in the United States attempting to restrict the export of Canadian goods? We could not sit on the fence and watch those jobs being taken away. We took the objective and went out and signed the free trade agreement, which will mean more jobs for Canada, more jobs for youth.

The free trade objective for expanded markets will mean lower prices and more products for our consumers. It is not only job creation, there are other benefits. It also sets a precedent for other countries. If two major countries in the world can establish a free trade agreement, why can't other countries? It opens up the GATT area. Another objective of the Government is to export our goods to other parts of the world.

The people of Canada have a choice when it comes to free trade, and the Opposition also has a choice. If we do not want to change, we can look inward and set up tariffs to keep all other goods out. We can try to trade within our own little circle, put the flag around ourselves, and try to live within our own country. That is the objective of the NDP and the Liberals. That is what they want to do. They want to rip up the free trade agreement, wrap themselves in the flag, and say, "We can live within ourselves". Where are they going to get the 3 million jobs related to exports? Who is going to look after that? How are they going to get the income tax from the people who are working to pay for the social programs that they so greatly called for, and with which we agree?

There is the other alternative. We can reach out and build bridges with the rest of the world, compete and grow with the rest of the world. We are already doing that. In fact, we are competing better than other countries. That is the approach that free trade gives us. It will give us more jobs.

The other area of policy that we, as a Government, felt was very important was deficit control. This point cannot be overstated. For the last three years Government spending has increased at an average rate of less than inflation. That compares with the average increase in spending by the Liberals when they had the mandate in the last four years of 14 per cent per year. That is what the deficit grew at. It has been reduced in a systematic manner in order that we do not take away social programs and have an impact on the economy of our country by deciding to cut helter-skelter, putting people out of work, or taking away social programs. The people of Canada do not want that approach.

Yesterday I listened to the Leader of the Opposition (Mr. Turner) talk about the Minister of Finance and his accumulated deficit. I would like to bring something to your attention, Madam Speaker, that I found very interesting about the Right Hon. Leader of the Opposition who made this statement:

> After three and a half years the Minister's armour is not nearly so shiny. Instead of reducing the debt, thanks to this Minister and this Government, it has gone up to $293.4 billion, an increase of $116.6 billion or 66 per cent in the last three and a half years.

The Leader of the Opposition failed to say that when we took office, in that first Budget we had to find $22 billion from the taxpayers of Canada to pay for the interest on the debt that the Liberals had accumulated, some $190 billion. Not counting the debts added on by the Government, but if one multiplies that $22 billion by four it amounts to $88 billion worth of debt. That is a deficit that is there because of interest on the debt created by the Opposition.