

years ago, and more than 80 per cent of them are employed on a full-time basis. In British Columbia, 70,000 new jobs have been created since September, 1984. However, I know that these statistics are cold comfort for the man or woman, young or old, who seeks and yet cannot find a job.

While we are justly proud of the accomplishments of the past two years, we recognize that the job is not finished and that our attention must continue to focus on five essential components required to achieve economic renewal and to meet our objective. The first of these is management of Government itself. We are showing Canadians, for the first time in many years, that it is possible to manage Government effectively and efficiently and to bring government expenditures under control. In fact, last year total government program spending was down for the first time in 40 years. The deficit has declined for the first time in six years, primarily through reductions in expenditures. By 1990 the deficit will be \$26.7 billion less than it would have been had the Government not acted.

Some Hon. Members: Hear, hear!

Mrs. Collins: I will use an analogy. We have taken a ship which was floundering out of control and, with a great deal of effort and some sacrifice, we have turned it around and set it on a course straight and true. However, having instituted these measures internally, what else needs to be done to stimulate growth and job creation in the country?

Our philosophy as a Government has been that our role should be primarily to encourage and make it worth while for individual Canadians to make investments and to create new businesses and jobs. Critical to the success of this approach are consistently low interest rates, which are now at their lowest level since 1978. This means that Canadians are now able to take the risk of borrowing money to make new investments. These low interest rates have also been a tremendous spur to the building industry. Instead of walking away from their homes, as so many Canadian families were forced to do only a few short years ago, Canadians are now building and buying homes at a near record pace. The payment which a Canadian family makes today on a \$50,000 mortgage is \$108 less per month than it would have been two years ago.

Twinned with low interest rates is the need to keep inflation under control. Inflation, if rampant, can rob Canadians of their buying power and adversely affect consumer demand. It also threatens the retirement savings of hundreds of thousands of our elderly citizens. Under this Government, inflation has been holding steady at about 4 per cent for the past two years, a rate not seen since 1971 and almost unimaginable a few short years ago.

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In encouraging an environment for investment and expansion we have already and will continue to address a second issue, that of government regulation and its direct involvement in the market-place. We have determined that the Government

no longer needs to own or operate companies which do not play an important public policy role and could be operated just as well by the private sector. We have already had success in selling de Havilland, Canadair and Canadian Arsenals. I know we will continue to examine other Crown corporations to see if, when and how they can be divested from government ownership.

Proliferating government regulation has frustrated individual Canadians and businesses. I am delighted that we will be bringing forward measures to get rid of unnecessary red tape and paperwork. We will also be providing new regulatory frameworks for the transportation and financial service industries, frameworks which ensure required protection for the public, but promote competition, efficiency and international competitiveness.

The third component of economic renewal is the taxation system and, as indicated in the Throne Speech, we will be implementing significant tax reforms which will result in a simpler, fairer and less burdensome system. Nobody likes paying taxes and yet we all recognize they are here to stay. What I think most Canadians desire is that the system is fair and that it is fairly administered. I know that we are all looking to the details of the initiatives of the Minister of Finance (Mr. Wilson) in this area, and particularly welcome his commitment to shift the tax burden away from personal income tax.

Fourth, while we are putting in place measures to expand the economy, we recognize there continue to be disparities within the country, disparities which I mentioned earlier. Here is where Government must play a role to assist those regions, those communities that are now enduring difficult times.

Special programs in Atlantic Canada, recent initiatives in the west for our farmers and our energy industry are evidence of this Government's commitment and capability to deal with these difficult issues.

I am happy to see, to assist in British Columbia's development, that special attention will be given to the diversification of its economic base.

Government procurement too can be a tool to promote regional equity. An example of this would be the awarding of the contract for the Polar 8 Icebreaker reaffirmed in the Speech from the Throne to the West Coast. Construction of this ship would provide a significant boost to the economy of British Columbia and would have a major beneficial impact on the West Coast shipbuilding industry, the shipyard workers and their families. I am sure no one will be surprised, here or in Capilano, by my continuing commitment to, and call for, such a decision by the Government.

The fifth component of economic renewal is trade enhancement. Canada started out as a nation based on trade. Furs and metals were among our first commodities traded. Now 34 per cent of British Columbia's gross domestic product is exported. We anticipate and see the need to increase Canada's external trade. We recognize as well that we must work with the