

all the problems in the world on top of lost jobs, growing inflation, higher interest rates and so on.

And, if you read *Hansard* for the 15 days following those five Budget Speeches, you will realize that is all the Opposition said.

If we look at what really happened since 1984, Mr. Speaker, we created 1.4 million jobs in Canada, 80 per cent of which are permanent, unlike the Liberal Government who used to create temporary jobs in the same proportion.

Inflation stood at about 4 per cent over the last four years. Canada had the best productivity ratio. During the years 1984 to 1988, Canada was among the countries having the best economic performance.

In fact, Mr. Speaker, it worked so well that, by the end of 1988, we were in an inflationary period. The Minister of Finance and the Conservative Government had two alternatives: to let inflation escalate like it did in 1980-1981 under the previous Liberal government when it shot up to 12 or 13 per cent; or to wake up and raise interest rates to 22 per cent, like the Liberals did. The Liberal Government had to go along with interest rates of 22 per cent to check the inflation it had let run rampant. Mr. Speaker, this Government has faced up to its responsibilities and said no, we cannot let the inflation rate go up too fast. There are two ways to make sure that inflation will not go wild: sure enough, interest rates must inch upward, and there must be a Budget to put a clamp on our national debt and the current annual deficit. Both steps have been taken. It is an excellent Budget. Indeed there are cut backs. Indeed there are tax increases. And indeed we have a major problem. Our national debt goes up to the tune of over \$3 million every hour, and this works out to \$80 million every day. Now, Mr. Speaker, just what is this national debt? It is the debt we inherited from the Liberal Party when it was turfed out in 1984, that is what it is!

• (1750)

Members opposite do not like that. We can hear them moan. They do not like that, but it is the debt they left behind in 1984, Mr. Speaker, plus what it is costing us to service it. If you examine the deficits of the Progressive Conservative Government since 1984 you will see that they can be accounted for by adding up the cost of servicing the debt of the Liberal Party. That, Mr. Speaker, is our current national debt. We must be aware of that, and ours is the only Government courageous

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enough to take whatever action is needed to get a handle on the debt and cut down the deficit. We have managed to reduce the deficit four years in a row.

Mr. Gauthier: Not true! You are again dreaming in colour!

Mr. Vincent: Four years in a row we have reduced the deficit. And I challenge my colleague to stand up and tell me that is not true, instead of twittering. Let him stand up and say it! Let him put up figures!

Mr. Speaker, this year's deficit should have been lower but, as I said earlier, because of higher interest rates, we have had to pay \$6 billion more just in interests. And that explains why the deficit is higher this year than was anticipated. However, with the kind of initiatives that were taken in the Budget, as much in terms of tax increases as of different spending cuts, we will be able in a couple of years to cut our deficit by half to \$15 billion. And with the control of our national debt, Mr. Speaker, it is important to look towards the future, as we have done, and to know where we are going. Mr. Speaker, I heard comments from business which supports us, according to the Opposition, and it said: Cut spending. Since 1984, Mr. Speaker, we have made annual spending cuts and now in 1989-90, the Government will spend less money on running this country than it did in 1984. We will be spending less, in cash terms.

Mr. Gauthier: Look at the books!

Mr. Vincent: The Hon. Member for Ottawa—Vanier (Mr. Gauthier) is upset, Mr. Speaker!

Mr. Gauthier: Not at all!

Mr. Vincent: Yes he is, his glasses are shaking. Mr. Speaker. The truth is always hard to take.

This year we are going to spend less money on administration than we spent in 1984-85, in cash terms. Five years later, we are spending less. This proves that we cut the fat, and we also cut some of the lean. There isn't much left. We are spending 16 cents on the dollar to administer this country.

Mr. Valcourt: And the Liberals?

Mr. Vincent: They spent 20 to 22 cents.

An Hon. Member: Terrible!

Mr. Vincent: On the other hand, Mr. Speaker, we are spending 35 cents on the dollar to pay off their debt, and that is a fact. It is a fact that we are spending 35 cents on every dollar to pay interest charges on the debt that the