

The Budget—Mr. Layton

Much of the increased revenues of the Government have come from the very policies which have established credibility for Canada as a place to invest. The more people we put to work through investment, the more revenues we have. Those people come off the UIC and social benefit doles and support programs and enter the working force, something which, by the way, makes them taxpayers.

I heard something particularly interesting about the quality of job creation. Members of the Opposition have argued that most of the jobs created by the Government have been low paid, minimum wage jobs in the service sector, a kind of sneer. They are dead wrong. Members of the Opposition have got it into their heads that the service sector consists of nothing more than hamburger jockeys at McDonald's and bellboys at the Holiday Inn. They are ignoring the fact that doctors, architects, engineers, public servants and nurses as well as bankers and stock brokers also work in the service sector.

If opposition Members were to look at job creation by occupational sector rather than by industry, they would learn that half of the jobs created between 1984 and 1987 were of a managerial or professional nature. These hardly qualify as minimum wage jobs. If other high-paying occupations such as construction are included, approximately two-thirds of the jobs created between 1984 and 1987 were in occupations with above average wage levels.

We have a right to be proud of our framework and of the results of sticking to the framework. Speaking as an engineer, a framework is a function of the strength of the structure. In a political sense, it is a commitment, obviously one acceptable to investors around the world. Canada is again becoming that place where people want to have part of the action. They want to join us in what we are doing. We are one of the most attractive places in the world to invest in and to live in, without any question.

The Prime Minister's choice of Finance Minister has resulted in a tenure second only, as I recall, to that of the present Leader of the Official Opposition (Mr. Turner) who held the post for longer. However, it will not have been for that much longer because I do not think it will be long before the country will return this Government and that Minister of Finance for another round of responsible Government. If there were more in the audience, I am sure I would hear loud cheering.

An Hon. Member: Hear, hear!

Mr. Layton: There it is. Our Minister of Finance is a credit to Canada. He is a credit to the Government. He is a credit to fiscal responsibility as a theme and as an objective. He is a credit to all of his colleagues and a credit to himself for the way he keeps carrying a very difficult and challenging responsibility.

• (1720)

The requirement is to find new resources from within the framework. On each new spending proposition the Minister bringing forth that particular initiative is challenged to find the resources within his own Department or to work a deal with the other Departments affected in order to achieve the goals. Yes, there have been some criticisms of the performance and approach of the Government. Even from our own supporters the question may be raised as to why there are increased taxes. That is answerable because part of the cost of previous overspending is being responsible today by paying back the debt.

Why is the deficit so slow to be reduced? Why can we not take a bite into it and cut it right back? All of us who have a business background understand that it is a lot easier to spend than to save. We had got into such a habit of committing ourselves to expenditure that the process of changing a bureaucracy as large and as growing as that with which we were faced in 1984 was enormous.

Therefore, the cost of reducing the growth of the Government was likewise a major challenge. It is happening. From the \$38 billion level that we faced in 1984 it is down to \$28.6 billion, and will continue to decrease each year. Each decrease in the deficit carries with it a considerably reduced demand on the financing markets and all the time reduces pressure on interest rates.

What are the results, the impacts, of fiscal responsibility? The very first is reduced interest rates which are down from the enormous figures we used to see at the mortgage companies. When 20 per cent of an investment had to be paid off in interest none of our young people wanting to establish homes could consider it. Today they can talk in terms of mortgages at 10 per cent and less. There are major savings for consumers and home renovators. There is increased investment.

Mr. Rossi: Tell us where you can get a 10 per cent mortgage.

Mr. Layton: The financial community is supporting projects without the Government's support which used to be mandatory. Without a government grant nothing happened. Today we have left that to the market-place, with a tremendous advantage to all because of the administrative costs.

The Acting Speaker (Mr. Paproski): I am having a little difficulty listening to this great speech in the House of Commons. I would hope that other Members would be courteous to the the Hon. Member for Lachine (Mr. Layton).

Mr. Layton: Another major impact of fiscal responsibility is increased employment. Nearly 1.2 million jobs have been created since September, 1984. That is the highest increase per capita in any of the economic communities in the western world. Reduced unemployment goes hand in hand with that. People who used to look for part-time jobs are now enjoying full-time jobs. A major impact of fiscal responsibility is a