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longer good enough for a 21st century global arena. We cannot afford them and we will not succeed with them.

Previous generations responded to the challenges of their eras by building the physical and social infrastructures of Canada. We too must create a new infrastructure for our time, the infrastructure of ideas and innovation. That is the thrust of our new framework paper. It proposes five key areas on which we must focus.

The first is helping Canadians acquire the skills to get jobs, to keep jobs and to find better jobs. The facts are clear. Jobs for people with high school education or less are shrinking while jobs for those with education beyond high school are growing. In fact projections show that almost half the new jobs now being created require more than 16 years of education and training combined.

I should add that there is a particular element of this challenge that engages small business. They do not have the resources of large firms to bring employees up to speed with the new skills that our information age increasingly demands. They depend on a public education system that can do its job.

In terms of education the challenge in Canada is not money. We spend more on education than just about anyone else. What we need are better results. Individuals, employers and the government must co-operate and share responsibility for improving education and training.

The second part of our framework is encouraging Canadians to adjust to change. Economic progress depends on a willingness to embrace new opportunities. It is our view that protecting and subsidizing business is almost always the wrong way to go.

For that reason the government is going to change the entire approach to subsidies. Equally we believe regional economic assistance should focus on genuine opportunities such as tourism that have great potential to be self-sustaining. Further, we believe high payroll taxes are nothing more than a tax on hiring. That is why we have taken steps to reduce UI premiums.

The third element of our framework is getting government right. Our attitude here is straightforward. It is time to make choices. We must eliminate or reduce lower priority activities and target scarce resources on the highest priority programs. That is one reason we are also trying to eliminate unnecessary federal regulations that cost Canadian business tens of billions of dollars every year.

Regulatory reform has the potential to increase productivity, stimulate new investment and create a more cost efficient government. We have already reviewed more than half of the 3,000 regulations on the books. We have eliminated one-quarter, left another quarter in place, and the rest are being revised or examined further.

Providing leadership in the economy is the fourth objective. While the private sector creates jobs the government has a clear role in fostering economic growth. In our knowledge based economy success depends on skill and innovation. The government can contribute to this dynamic process by gathering and disseminating information and ideas about technology and new markets. As well it can play an important role in bringing business together, something that is critical in an economy where new firms are small and specialized.

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One priority is to do more to harness science and technology in order to improve productivity and growth. Government can help by building better links among industry, universities and government labs. It also has a particular role in making sure small business benefits from the latest know-how, particularly in the high technology sector.

Trade is another area where government involvement is essential for success. Today more than ever Canada is an exporting nation. It is vital that more companies become exporters and that we look beyond our traditional markets to the emerging economies of Asia, Latin America and eastern Europe. Here the government can help by providing more information and by ensuring that small businesses have access to export financing.

The fifth and final objective is absolutely essential to all others. We must create a healthy fiscal and monetary climate in Canada. If we do not meet this fiscal challenge, as the finance minister told the Standing Committee on Finance, we will fail at everything else.

That is why we have staked out a rigid commitment to bringing the deficit down to 3 per cent of the economy in three years, effectively cutting it in half. That is why we have also made it clear that this deficit target is a first step in meeting our ultimate goal of eliminating the deficit completely.

It would be absurd to claim that a single paper is the answer to curing Canada's future, but it is equally absurd to promote deficit elimination as a cure-all of every Canadian challenge. To me and I hope to all Canadians the evidence is clear. Our government has a vision of the role for government in building a more prosperous nation.

The opposition would better serve its mandate by providing meaningful policy alternatives rather than simplistic motions without scope, without depth and especially without heart.

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, it is interesting the secretary of state, being as it were second in command just under the finance minister, delivered the speech that he did this morning. I do not think he or perhaps the government or perhaps the Liberal side understands that Canadians are concerned about a further tax grab, about further tax increases.