We know that in 1984 the federal deficit, the national debt, was out of control. That year the deficit was up to $38 billion, up from $14.9 billion three years before. In those last three years of Liberal Government that debt had gone from under $15 billion to $38 billion. In fact, it had gone up at an average rate of 26 per cent per year.

There was not a smidgen of evidence from the Leader of the Opposition of what policies he or his Party would have initiated to control that deficit. If that had continued in the spendthrift way, the public debt today would be more than $100 billion higher than it is. That would have meant the equivalent of $16,000 more for each family of four. We had to turn the ship around. We had to deal with that when we came into office. Of course, we all know that that is not an easy thing to do. Our record of accomplishment has been significant, because it has been part of a plan that we have set out and stuck to.

We have seen the deficit of more than $38 billion when we took office fall to a projected $28.9 billion for the coming fiscal year. It will be the first time since 1945 that there has been a decline in the annual deficit during four consecutive years. The projections of the Minister of Finance as put out in the *Budget Papers*, are that the decline will continue over the next four to five years.

In dollar terms the deficit has been cut by one-fourth. But relative to the GDP, the Gross Domestic Product of this country, it has been cut in half in nearly a four-year period. By 1992-93, a few years from now, given our present plan of action, the deficit will have been cut to $19.5 billion. It will actually have been cut in half in dollar terms and by two-thirds relative to GDP. We have seen the prospect, as the Minister of Finance has told us, that during the later period of 1990s, if we can hold to this pattern, there is the possibility of not having an annual deficit. That would be something which I and my colleagues on this side of the House would certainly welcome.

We have been able to do this without harming economic growth. As I have already indicated, we have seen economic growth of over 3 per cent in 1987, projected to around 2.7 per cent in 1988-89, and in the year following that at 3 per cent. That is nice and steady, easy as she goes. That will mean increasing jobs, increasing economic activity during each of the next two years. The finance committee, on which I sat, heard some witnesses who were economists, and certainly some of those witnesses have borne out those projections.

Government spending has fallen from 25.7 per cent of GDP when we took office to 22.5 per cent in 1988-89 fiscal year. It will fall further in 1992-93 to 19.4 per cent. That means that as a percentage of our economy, government spending will be cut by more than one-quarter. We all know there is not always a lot of room. We know that we are committed in our transfer payments to provinces and individuals. There is not a lot of room to manoeuvre there. We have had to have very serious reviews of regular government spending programs, to make some changes, to make some reductions which Canadians have asked us to do. As the Minister of Finance announced in the Budget, there will be a further $300 million reduction in government spending in the discretionary programs in the upcoming year.

That is a solid record over the past 3.5 years which shows that we have been able to bring spending under control and bring the deficit under control. We are certainly in good shape to meet the challenges of the 1990s.

I would like an opportunity to talk a little about my home province and some of the implications of this Budget and our economic proposals for British Columbia. Over the past few weeks I have often heard comments from the other side of the House that it is all very well, but this economic growth and prosperity is limited to a circle around southern Ontario or Metropolitan Toronto. If one listened to that, one would think that somehow British Columbia was in terrible shape. I am very pleased to reassure my colleagues. The Investment Dealers' Association in its recent report indicated that the stories of our demise have been grossly exaggerated. In fact, in the report there are some very exciting statistics. The association sees the growth rate in British Columbia being over 3 per cent for the coming year, which would be above the national average. In fact, if one looks at what has happened over the past year, one sees some very exciting changes.

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The number of people employed will rise by 2.5 per cent. We already know that unemployment in British Columbia has declined, on the average throughout the province, from 15.1 per cent to 10.1 per cent, a drop of 5 percentage points. In the Greater Vancouver Regional District it has dropped even further, to about 9.3 per cent.

We see that mining exploration in British Columbia has risen. The Investment Dealers' Association estimates that 1987 will show a record level of $125 million.

Capital investment, which I mentioned before, continues to exceed the national average at 21 per cent in the past year or up to $6.2 billion. That compares with a national increase of 8 per cent. People are really seeing the opportunities and advantages available in the British Columbia economy, and they are making investments which the Government encourages and supports.

The association also indicated that the outlook for the rather depressed coal industry in British Columbia would improve, in anticipating an increase in steel production world-wide.

Sometimes people do not think of manufacturing in British Columbia, but manufacturing shipments have increased significantly in the last two years. They have increased three times faster than in the rest of Canada. It is estimated that shipments increased to $22.9 billion in 1987, up from $20.6 billion in 1986.

Perhaps these are facts of which many of my colleagues are not aware. They show the dynamism of the British Columbia