

national debt represented \$4 000 for every Canadian family. Seventeen years later, the national debt represents \$24 000 per family.

And, by 1990 – only five years hence – If we do not take action now, the national debt will be the equivalent of every Canadian family owing \$54 000. And we inherited also an economy that has relegated to the unemployment rolls close to a million and a half Canadians.

There is no human tragedy more debilitating than that of a person unable to find gainful employment. My government considers the creation of jobs as its top priority. It is for us a moral imperative.

I need not dwell at length on the policies that created this situation in Canada. Simply put, at a time when the world economy was becoming more interdependent and open, Canada turned inward and interventionist.

In 1974 we started down this costly path with the Foreign Investment Review Agency, and in 1981, we continued this approach with the National Energy Program. Such a direction ignored the basic lesson of our history, namely that free and unfettered access to world markets has been a boon to strong and dynamic economic growth in our country. It was indicative of the misguided belief that regulation by politicians and bureaucrats was superior to the decisions of individuals and firms competing in the global marketplace.

At the same time that Canada was turning inward economically, we were also giving other signals that led our friends and allies to question our commitment to the international agenda. Our support for the North Atlantic Treaty Organization dropped to an embarrassingly low level, to the point that only tiny Luxembourg was contributing less on a *per capita* basis than Canada. We wound up with more cooks than gunners in the Canadian Armed Forces.

So these are the main reasons that my new government is so committed to rebuilding Canada's image in the world:

- as a free, tolerant and independent nation;
- as a reliable trading partner;
- as a good place to invest and do business;
- as a people committed to the entrepreneurial spirit; and
- as a nation that honours its commitments to its allies.

Our new government has embarked on a fundamental change in our economic direction. Our strategy consists of four challenges for this government, and for the Canadian people. Our first and most immediate challenge is to restore fiscal responsibility in the federal government.