

*The Budget*

the situation and that is why we say the budget is about reality.

I have already indicated the government's record of expenditures and the important things that have been done over a period of time—the down-sizing of the Public Service, the fact that the Public Service, in 1990, is no larger than it was several years ago. There are 12,300 less persons employed in the Public Service of Canada. I have mentioned Canada Post and the fact that they now produce a surplus, whereas years ago there was a \$600 million deficit. That is the same in various other areas of activity.

The other important initiatives that we have taken would take too long to list. But let me just leave you with this thought, Madam Speaker, and members of the House of Commons; this has been at a price paid by the people of Canada. We understand that. The people of Canada have been great contributors to this righting of the national economy in terms of taxes. Yes, the revenues of Canada have gone from \$70 billion in 1984 to close to \$120 billion in the next fiscal year and that is the contribution of the people of Canada. We respect that and we know it was at some sacrifice and suffering. We know that the people have paid more taxes. But I hope they realize that that contribution is going to pay off. It is going to pay off in a solid economy, an economy that is respected not only domestically but internationally all around the world.

We know public servants have paid a price. They have had downsizing and I hope they understand the need and desirability of that initiative. They have taken lower salary increases, below the inflation rate in many cases. That has been a tremendous contribution to the Canadian economy because it shows to the whole Canadian labour force, all working people including ourselves, that that ought to be the test, that ought to be the guiding light.

I think I want to congratulate public servants across Canada for accepting the kind of salary increases that they did a few months ago through the Public Service Alliance. One hundred and fifty thousand public servants accepted a salary increase in the area of 4 per cent. That kind of acceptance of the realities of the economy is what will make Canada strong. We have contributions from the people of Canada in terms of tax increases. We

have the special contributions of public servants in terms of downsizing and acceptance of reasonable pay increases.

I think that has led to the present state of the economy. What is the present state of the economy? There have been over 1.5 million jobs created across Canada over the last five years. Those are good, full-time jobs—over 900,000 jobs for women—not part-time jobs but jobs in science and technology, and in other areas, that will be lasting jobs for the future.

We have always said that at the heart of our policy has to be employment of Canadians. I had somebody say to me when I was first elected: “You can talk about inflation. You can talk about a variety of problems. You can talk about high interest rates, but if I don't have a job I can't deal with any of those problems. Get me a job and then I will worry about interest rates, about inflation, about the high cost of living and all the other problems that beset Canadian families.” If you do not have a job you cannot even deal with those problems.

That is why we have made employment of Canadians a priority and there have been 1.5 million jobs created. That is why the unemployment rate went down from double digit numbers to 7.8 per cent in January, 1990. That does not mean there is not unemployment in Canada. Of course there is, in Newfoundland, in parts of Nova Scotia and throughout Atlantic Canada and in northern Ontario and elsewhere. We are fighting that on a day-to-day basis through job training programs and a variety of initiatives.

But the government and the Prime Minister will never lose sight of the fact that the thrust and energies of this government have to be directed towards job creation so that every Canadian will have a job. We recognize and have said many times—it bears repeating—that the best social program for Canada is full employment. That is where we should direct our energies.

I do not think anybody would deny that the thrust of the budget is the balancing of revenues and expenditures and the reduction of the deficit. How we reduce expenditures by almost \$3 billion is by dealing with the transfer payments primarily. I do not think anybody should deny that and I do not think the Minister of Finance would ever suggest that it be denied.