

linkages between the wage economy and traditional economies of the aboriginal people.

Technological innovation is another avenue for generating business opportunities, especially at a time when science and technology is a national and also an international growth area for future development.

Regardless of the approach which is taken to diversify the economy, long-term benefits can only accrue when economic growth has been balanced by the development and the maintenance of a healthy resource base. Keys to this are the acquisition of the requisite skills and training by northerners participating in their expanding economy and the provision of an infrastructure that will be achieved through community based planning which will encourage industry to locate and develop. I expect future economic development programs for the Yukon and also for the Northwest Territories to recognize many of these opportunities.

In addition to further development of the preceding sectors there are other events which I foresee as having significance to the north: the North American air defence modernization project and the renewed interest in northern gas pipelines. We have seen that that is something which is coming and coming quite quickly. Oil and gas projects in the Beaufort should also generate opportunities for new and expanded business and indeed enhance the employment for the northern people. These will be reflected in and complemented by the organization of the land use planning commissions and the settlement based on the agreement in principle of the land claims for Yukon Indians, the Dene Métis, and the Tungavik Federation of Nunavut.

Settlement land claims will be of particular significance to each territorial economy. Obvious benefits will be derived from a direct injection of funds into the economy.

In conclusion, as a member of this side of the House I am confident of the ability of northern Canadians to move forward, see the challenges and accept them. We will be behind them all the way to see them expand and continue expanding.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I should like to compliment the hon. member on her remarks this afternoon. She twiggd my attention

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to something I think we have forgotten on this side of the House when it comes to debt and deficit.

We have been hearing a lot of members on the side opposite today talking about the fact that when they came to governance here in 1984 they inherited this massive debt. The facts are that in 1980 when the Liberal Party came to power we had a national debt of approximately \$80-odd million.

From 1980 to 1984 it is factually correct that the debt of the nation doubled. It went to almost \$170 billion. This happened during the worst recession in the world. Interest rates at 21 per cent and 22 per cent were world-wide.

The Conservative government came to power in 1984 and by the end of 1988 it managed to take that national debt of \$170 billion and double it to almost \$360 million. In her speech today the hon. member referred to this incredible growth in the economy.

My question is a very simple one. With that incredible growth in the economy, when interest rates were much better and employment was down, how did your government manage to double that debt? What policies did the government have that did not work, or was there waste?

Mrs. Sparrow: Madam Speaker, I want to thank the hon. member for Broadview—Greenwood for his question. It is interesting that he brought forth two important issues: one is talking about the national debt and the other is talking about the deficit. I would just like to refer to the fact that in 1984 when we were elected to power the national debt was \$200 billion or \$199.5 billion.

Mr. Mills: It was \$170 billion.

Mrs. Sparrow: I am sorry, it was \$199 billion. We also had a deficit of \$38.3 billion.

The hon. member's government was increasing program spending by 15 per cent per year from 1980 to 1984. When we took over the national debt was \$38.3 billion. The previous government was in a negative position of \$16 billion on its program spending and in a negative position of \$22.5 billion on the deficit. That shows that his government with its \$38.3 billion deficit caused most of the problems.

In exactly five years we have lowered the deficit and we now are in a surplus position on program spending. We turned around \$25 billion, and we do not need any