

aspects of this resolution. A little arrogance from the member does not impress me at all.

**Some hon. Members:** Hear, hear!

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#### FOREIGN INVESTMENT REVIEW AGENCY

##### REXDALE PLANT CLOSURE ANNOUNCEMENT

**Mr. Ian Deans (Hamilton Mountain):** Madam Speaker, my question is directed to the Minister of Industry, Trade and Commerce. I am sure he will recall that on August 1, 1980, he announced on behalf of the government the approval of the take-over by Reynolds Industries of the United States of Canadian Cannery Limited, Walmer Transport Company Limited, and Aylmer Foods Warehousing Limited. In approving that takeover, the minister indicated that there was a commitment not to close any of the operations in Canada for a minimum of two years. There was an announcement by the company of its intention to close its Rexdale plant on April 30, 1981. What action does the minister propose to take to enforce the commitment?

**Hon. Herb Gray (Minister of Industry, Trade and Commerce):** Madam Speaker, this matter is being examined. If what is happening turns out to be contrary to the undertakings, I will have all the recourse provided by the law to pursue it.

**Mr. Deans:** Madam Speaker, could the minister elaborate ever so slightly on what recourses in fact are available to him, given that the director of corporate surveillance for FIRA indicated that there has been no violation of the agreement? How can it be that last Saturday the minister said the agreement was in place and the plant must be kept open for a minimum of two years, and the head of the corporate surveillance department said there was no violation?

**Mr. Gray:** Madam Speaker, I will check into the accuracy of what the hon. member says was stated by one of the officials. As far as I am concerned, I will look into it personally. If it turns out that there is a breach of the agreement, in consultation with the Minister of Justice I will see that the law is respected and enforced.

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#### EMPLOYMENT

##### REDUCTION IN JOB-CREATION FUNDS

**Mr. Jim Hawkes (Calgary West):** Madam Speaker, my question is directed to the Minister of Employment and Immigration. The minister will know that, in the main estimates for the coming year, job-creation funds are reduced by 37 per cent from the current year. When inflation is taken into account, they will be half what they are this year.

#### Oral Questions

In view of the Canadian unemployment situation today, could the minister tell us whether or not this significant budget reduction is a consequence of his current status within cabinet, or does it shift the policy priorities of the government? Are they deliberately creating a situation where more unemployed people will continue to remain unemployed in Canada?

● (1140)

**Hon. Lloyd Axworthy (Minister of Employment and Immigration):** Madam Speaker, I thank the hon. member for his question. It gives me the opportunity to draw the attention of the House to the fact that, for the ninth month in a row, the employment figures in Canada have gone up.

**Some hon. Members:** Hear, hear!

**Mr. Axworthy:** We now have a seasonally adjusted unemployment rate that is substantially lower than it has been for the last year and a half, which happens to be the time when this government came back into office.

Contrary to the kind of doom and gloom certain critics and observers have portrayed about the economic situation in Canada, we in fact are developing a very healthy employment picture. I think all Canadians should take some satisfaction in that.

**Mr. Hawkes:** Madam Speaker, I am sure the minister would not like to leave the wrong impression. Employment creation in Canada in the private sector is 25 per cent of what it was under the previous government. Employment creation in the public sector is about 15 times as great. That is the reason the seasonally adjusted rate stays where it is.

My question to the minister relates to what he intends to do to meet the needs of 928,000 officially unemployed Canadians and well over one million unemployed Canadians in reality. He is cutting the budget in half for the year ahead in terms of meeting their needs. Can he explain to the House why he thinks the need in the year ahead will be half as great as it was in the year in which we are currently?

**Mr. Axworthy:** Madam Speaker, I find it somewhat ironic that the hon. member, along with his many colleagues, were applauding vigorously the statements made by the President of the United States just two days ago. The President has, in fact, cut the entire employment training budget of the United States government. Again, I think hon. members opposite are trying to have it both ways. They are trying to have their ideological music and still play a critical game, which simply will not work.

The fact of the matter is, as I have said many times in the House before, that we are taking the employment training money and targeting it into special needs groups. We have new programs designed to deal with the problems of the handicapped, and others who have major disadvantages in the work place, to provide special training for native people, and for women in non-traditional work. We are targeting the money into the areas where it is really needed.