

Is the minister aware of the problem? Has he received representations from the APU? If so, what studies are now being made with a view to meeting the request of the APU?

[English]

**Mr. Whelan:** Mr. Speaker, I am not aware of any representation, unless it has come in the last few days.

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[Translation]

## UNEMPLOYMENT INSURANCE

### BUDGETARY REDUCTIONS—RESPONSIBILITY OF PROVINCES

**Mr. Roch La Salle (Joliette):** Mr. Speaker, I should like to put a question to the Minister of Employment and Immigration, who, a while ago, announced cuts of some \$580 million in the unemployment insurance budget, adding that those cuts would have little effect on the provinces.

As we heard yesterday that, as a result of those cuts, British Columbia would have to pay \$105 million in welfare; Ontario, \$15 million; Newfoundland, \$44 million, not to mention Quebec which will probably have to spend \$75 million, can the minister tell the House how it is that, when he announced his reductions he did not have those figures at hand or, to say the least, had not advised the provinces that because of reductions they would have to shoulder those heavy financial burdens?

[English]

**Hon. Bud Cullen (Minister of Employment and Immigration):** Mr. Speaker, the ministers whom I met yesterday concurred with the report that we presented to them. It showed the impact we anticipated the cuts would have on their welfare programs, which were significantly below their worst concerns.

Secondly, in their approach they were throwing everything into the hopper and indicating that this would create an impact on welfare, that people moving from unemployment insurance programs would automatically go to welfare. That, of course, is not in accordance with the facts. But because of their concerns and because of the very fruitful meeting we had yesterday, we are establishing a joint federal-provincial committee to look at the impact as seen from the view of the provinces and the federal government, always remembering that any impact on the welfare program is borne to the extent of 50 per cent by the federal government, in any event, under the Canada Assistance Plan.

[Translation]

**Mr. La Salle:** Mr. Speaker, the minister says that costs will be shared. The provinces will still be left with the short end of the stick with this measure.

As there is unanimous concern among the provinces over the amendments to the act, can the minister give his commitment, here in the House—I am not asking the Prime Minister

## Oral Questions

because I doubt that I would get an answer—but could the minister give his word that no amendment or change will be implemented until there has been a real discussion with all provincial ministers? Afterwards, I think that he could table the bill in the House.

● (1427)

[English]

**Mr. Cullen:** Mr. Speaker, immediately following the announcement, arrangements were made for a meeting of deputy ministers of the departments concerned. They met in early October. Some of the fears expressed earlier were allayed at that time, and we dealt yesterday with the remaining issues. The primary concern was the impact of the changes we are announcing; that is why we have set up this committee. I think the provinces were satisfied with that approach.

To suggest we could get unanimity of opinion, or approval, from them is not quite possible because ministers from Newfoundland have very different concerns and views about Canada Works than, let us say, ministers from Alberta or Manitoba. Therefore, obtaining unanimity is very difficult. What we want to do, as well as we can, is allay the fears that have been expressed.

### SAVINGS EFFECTED THROUGH PROGRAM CHANGES

**Mr. Jake Epp (Provencher):** Mr. Speaker, my supplementary question is to the same minister. In its economic statement, the government claimed that the tightening up of the unemployment insurance regulations would result in savings in the order of \$580 million, and that would rise to some \$700 million or \$900 million by fiscal year 1980-81.

What are the revised savings figures, in view of the changes in the unemployment insurance scheme to which the minister has agreed with the provinces?

**Hon. Bud Cullen (Minister of Employment and Immigration):** Mr. Speaker, I think the press reports have been somewhat erroneous. We indicated yesterday the changes we had contemplated and the impact we believed they would have. Also, we indicated, as a result of the excellent representations I had from Liberal colleagues in the Atlantic provinces, that without disturbing the thrust of the legislation we were prepared to see that it has less impact in those particular areas. I discussed that matter with my Atlantic colleagues. They are not totally satisfied, even yet, and we will probably have a battle there. The changes we will make will still, I think, keep us within the ballpark figure we are looking at for savings under the UI program, making it a better and more credible program.

**Mr. Epp:** Mr. Speaker, I should like to direct my supplementary question to the Minister of Finance. The government's credibility rests on the fact that the government will cut spending. Those announcements were made during the summer. In view of the changes just announced by the Minister of Employment and Immigration, where will the govern-