

Oral Questions

Mr. Gray: The important thing is that this government recognizes there is a serious economic situation, a serious situation connected with unemployment—

Mr. Stevens: Who caused it?

Mr. Gray:—and we are taking tangible action, important steps announced by myself just in the past week or so aimed at creating jobs, aimed at dealing with the situation in a tangible and meaningful way. That is the important thing, Madam Speaker.

Mr. Nielsen: This is a recorded announcement.

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LABOUR CONDITIONS

INCREASE IN LAY-OFFS

Hon. David Crombie (Rosedale): Madam Speaker, my question is also for the Minister of Industry, Trade and Commerce. He will know that there is an internal government document which points out that by March of this year 175,000 more Canadians will be out of work. The minister will also know that the major areas from which those lay-offs are coming are found in the provinces of Ontario and Quebec. Would the minister at least meet with representatives from industry and labour to see if he can find alternatives to these massive lay-offs?

Hon. Herb Gray (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, I have been meeting with representatives of industry and labour. I am certainly prepared to do so again to exchange ideas on steps to be taken. But just in the past week we have already taken a number of steps aimed at dealing with the difficult situation in sectors that are very important to the economies of Ontario and Quebec, namely, auto parts and the major appliances sectors. Certainly these announcements were very favourably received by representatives of industry and labour.

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SOCIAL SECURITY

REQUEST THAT SOCIAL ASSISTANCE FUNDING BE INCREASED

Hon. David Crombie (Rosedale): Madam Speaker, in the absence of the minister responsible for social policy I will direct my question to the Minister of National Health and Welfare. She will know that the government has been talking recently about cutting back social assistance to the provinces. The minister will also know that the parliamentary task force on fiscal federalism unanimously recommended that the federal government should increase its share of social assistance funds to the provinces at a time of economic downturn. Given the fact that we will now have 175,000 more people looking for work by March, will the minister recommend to the govern-

ment that it accept the recommendation which was endorsed by all parties in this House so that these people can be guaranteed some relief?

Hon. Monique Bégin (Minister of National Health and Welfare): Madam Speaker, I thank the hon. member for giving me the opportunity to correct a very serious mistake made twice to my knowledge in recent weeks by the *Toronto Star*. I could send the hon. member a copy of the telex that I sent immediately to the *Toronto Star* which, unfortunately, has not yet been published. I do not know the origin of the mistake.

All social assistance payments in Canada are made under CAP, as my colleague knows. These payments encompass all welfare moneys and all the social services to which the federal government contributes 50 per cent, that is 50 cents on every dollar. These payments have not only been completely protected but in this current year have increased by 19 per cent to date, and we have not yet finished the year. We pay 50 cents on the dollar automatically on all social assistance expenditures. Therefore, I can give the assurance, not only of maintaining the program, but of increasing it tremendously.

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● (1425)

THE ECONOMY

REQUEST FOR NEW MEASURES TO REDUCE UNEMPLOYMENT

Mr. David Orlikow (Winnipeg North): Madam Speaker, my question is for the Minister of Industry, Trade and Commerce. He has tried to imply in his answers today that the study done for his department is just one of many and that there are different figures arrived at by different economists. The fact is that his own director of economic intelligence has substantiated the figures by saying it is likely we will have another 175,000 unemployed by March.

Now, Madam Speaker, the minister knows that if anyone can estimate the effect of the government's announced programs, which the minister has spoken of, and how much they will do to create employment, it is the people in his own department. If his own department suggests we are going to have 1,250,000 unemployed by March, obviously they do not have much confidence in his programs.

However, given the fact that yesterday or the day before the ten provincial premiers unanimously urged that his government take immediate steps to reduce interest rates to get the economy moving, I ask the minister whether he or the government have any new announcements to make to deal with this very serious problem of unemployment?

Mr. Fraser: Yes or no.

Hon. Herb Gray (Minister of Industry, Trade and Commerce and Minister of Regional Economic Expansion): Madam Speaker, the comments reported in the press were based on forecasts made by private sector forecasting bodies,