have to remind him of what his colleagues were saying last November. The models back then indicated we were going to lose 50,000 to 100,000 jobs, and what has happened? Some 149,000 jobs have been created.

[*Translation*]

REQUEST FOR CLARIFICATION OF FAIRNESS IN BUDGET

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I have a question for the Minister of Finance.

Mr. Speaker, the Budget has the support of the Quebec Minister of Finance but, that PQ-Tory agreement notwithstanding, the Budget will cost Quebecers 40,000 jobs next year and, by the end of this decade, Quebec will have to raise 630 million more in taxes or cut back social, health and education services, while under the same agreement and thanks to the Budget of the Minister of Finance and reduced equalization—

Mr. Speaker: Is there a question?

Mr. Cassidy: Can the Minister explain how the Budget is fair to ordinary people in Quebec, considering its impact on employment, services and taxes?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I would suggest to the Hon. Member that someone who is in very close touch with what is going on in the Province of Quebec is the Minister of Finance of that province's Government. While not giving the Budget a blanket endorsement, he did say that it was moving in the right direction and addressing the problems of that province. It was doing many of the things that the people in that province felt should be done in addressing the twin problems of high unemployment and job creation on the one hand, and deficit control on the other. These numbers that the Hon. Member is throwing around about 40,000 jobs lost have just been pulled right out of the air and have no basis in fact.

[*Translation*]

FINANCIAL AID TO QUEBEC—GOVERNMENT POSITION

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, I would remind the Minister of Finance that the unemployment rate in Quebec is still over 12 per cent and that, during the election campaign, the Government promised grants to the shipbuilding industry in Quebec and elsewhere in Canada. Why did the Government withdraw its support for shipyards in spite of its election promises, and why did the Government withdraw financial assistance in spite of its promise to help industries in Quebec's hard-pressed regions? Is that fair to the unemployed in Quebec?

Mr. Lapierre: Not the Quebec Minister.

An Hon. Member: The new Quebec Minister.

[*English*]

Hon. Sinclair Stevens (Minister of Regional Industrial Expansion): Mr. Speaker, if I may be given an opportunity to speak as a Minister of the Government of Canada—

Mr. Deans: On behalf of the Government of the United States.

Mr. Stevens: —I would like to assure the Hon. Member that he is not correct in saying that assistance has been cut off from the shipbuilding industry and the grant program to which he referred. In fact there will be continuing assistance for another seven years.

* * *

FINANCE

INCREASED BORROWING COSTS

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my question is directed to the Minister of Finance. He will know that interest rates have dropped about 3 per cent since the election. He will also know we are borrowing roughly $4 billion more this year than last. I was wondering if he could explain to the House why his appropriation for interest payments this year is $3.6 billion higher than last year, in view of lower interest rates and a lower borrowing requirement.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, as we borrow each year to cover the defict, that is piled on top of an ever increasing amount of debt. It is that ever increasing amount of debt on which we have to pay interest. The increase in the amount of debt charges I beliee is $3 billion, and a 10 per cent interest rate on a borrowing requirement of $30 billion is about $3 billion. It is for that reason we are on a bit of a treadmill here, and if we do not take action to reduce the size of the deficit we will never get that debt problem under control.

* * *

ATOMIC ENERGY OF CANADA LIMITED

CUTS IN FUNDING

Mr. Len Hopkins (Renfrew-Nipissing-Pembroke): Mr. Speaker, my question is directed to the Prime Minister. Last August he sent a telex to my Progressive Conservative opponent stating that the Chalk River nuclear laboratories would not only be fully maintained but that a Progressive Conservative Government would consider additional funding. The Minister of Finance has now slashed AECL research and development funding by $100 million and has lifted an additional $70 million out of the company's retained earnings. Therefore I ask the Prime Minister, in all sincerity, why has he broken his promise in a way which will cause a large loss of jobs and result in another brain drain from Canada, just like the Avro brain drain which was perpetrated on the Canadian people by a previous Conservative Government.