

*Oral Questions*

I should like to give the Minister the opportunity to deny that part of the story and to assure the House that he and his Government have no intention of cutting unemployment insurance benefits.

**Hon. Lloyd Axworthy (Minister of Employment and Immigration):** Madam Speaker, I think the Hon. Member has been in politics long enough to know that he should not put much trust in unverified stories. I have not seen this particular article, but I can tell him that we certainly have no intention of cutting benefits. What we have been working on is a program to ensure that the unemployment insurance system continues to work as it has been working to provide basic income support for many Canadians who need it during these very difficult times. The Minister of Finance will be issuing a statement later today which will explain how the Government intends to go about doing that. I can tell this House that the unemployment insurance system is something which this Government is here to protect and to continue to maintain as a way of providing that security for Canadians.

• (1440)

## ASSURANCE SOUGHT ON GOVERNMENT POLICY

**Hon. David Crombie (Rosedale):** Let me ask a short supplementary for assurance, Madam Speaker. I am aware, as all of us are, of the strain which the fund is under, and we are going to be listening with some anticipation to what the Minister of Finance will be saying later on with respect to the fund. I want it clearly understood from the Minister that there is no policy under consideration now or in the foreseeable future in the Minister's understanding that would involve a cut in insurance benefits.

**Hon. Lloyd Axworthy (Minister of Employment and Immigration):** Madam Speaker, I will just repeat what I have said. We are here to protect and maintain the system. In fact we have been able to use the unemployment insurance system to provide a number of very creative initiatives in job creation and work sharing. We now have over 170,000 people involved in work-sharing programs through UIC, which shows that we are broadening the use of the system, and not trying to reduce it.

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[Translation]

## THE ECONOMY

## INQUIRY WHETHER DIALOGUE WILL BE ESTABLISHED WITH PROVINCES

**Hon. Roch La Salle (Joliette):** Madam Speaker, my question is also directed to the new Minister of Finance. The minister knows as well as I do what the unemployment rate is

in the province of Quebec. He knows that the number of unemployed workers is gradually reaching the half-million mark, and in the circumstances, and also considering the fact that relations between the two governments have been less than satisfactory during the past twelve months, may I ask the Minister of Finance whether he firmly intends to restore relations with the Quebec ministers responsible for economy-oriented projects, so that both governments can work together in order to achieve what is best for Quebec?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, it is not up to us to take further steps in order to restore relations. The Prime Minister, myself and my colleagues have repeatedly made it clear that the door was open, that we are prepared to co-operate with the Quebec government and Quebec authorities, to make the joint effort required on the part of both governments in order to remedy the unemployment problem and stimulate the Quebec economy. There is not one minister in this House who has refused to co-operate, and I would ask the hon. member to take note of the fact that the Government of Canada and the federal ministers in this House have always been prepared to co-operate with the government of Quebec. As for the few incidents which may have taken place, I think that if my hon. colleague would take the trouble to check these very carefully, he will realize that generally speaking, any refusal to co-operate did not come from the federal government.

## REQUEST THAT CO-OPERATION BE ESTABLISHED WITH QUEBEC

**Hon. Roch La Salle (Joliette):** Madam Speaker, I have a supplementary, and regarding the minister's suggestion, I would like to remind him that not long ago, the new Minister of Energy, Mines and Resources was quite categorical in a statement to his Quebec counterpart regarding payment of the \$200 million in the Laprade affair, saying that if Quebec did not reach a decision, he would proceed unilaterally to allocate these funds. I do not call that co-operation. My question may be similar to the first one: Can the Minister of Finance give us the assurance today—and I think this is very important to Quebecers—that he will take steps to achieve co-operation between both governments and that provincial priorities which are not necessarily incompatible, and I am thinking of job creation objectives, be given due consideration, insofar as doing so is not incompatible with the philosophy of the federal system?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, I can assure my hon. colleague that that would be the case and I have no trouble doing so. However, regarding the matter of the Laprade fund I would remind him that this fund was formed by the Canadian government which took the initiative