

*Oral Questions***ECONOMIC REGIONAL DEVELOPMENT  
ASSISTANCE**

## RENEWAL OF AGREEMENTS

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, we have had a number of questions on the changes brought in by my colleague, the Minister of Employment and Immigration. It is very clear that the unemployment insurance system has been improved by providing benefits for training to help people get better jobs and get those jobs on a more permanent basis. Surely this is the way that we should be improving the unemployment system. The Hon. Member now refers to the financing. The financing of the unemployment insurance system has been changed. It has been changed in a way that asks the employers and employees to carry the burden for the unemployment insurance system with the exception that if there is a time when the funds should go into deficit—which occurred from 1982 to 1987—the Government will stand behind that fund.

• (1200)

There are two key points. The first is that the rate will be at \$2.25 for the next five years, which is below the rate of the last four or five years. Second, the maximum cost to the employee will be \$1.40 per week.

## SOCIAL PROGRAMS—CUT IN FUNDING

**Hon. Warren Allmand (Notre-Dame-de-Grâce):** Mr. Speaker, Canadian workers will not be fooled by that answer. Is this not just an attempt to create the level playing field to facilitate free trade with the United States which during the election the Government said was not necessary?

The Minister of Finance during the election campaign called the Leader of the Opposition a liar for suggesting that social programs would be cut to accommodate free trade—

**Mr. Speaker:** I would ask the Hon. Member, given the time, to put his question, please.

**Mr. Allmand:** Mr. Speaker, I ask the Minister: Who is telling the lies?

**Some Hon. Members:** You!

**Mr. Allmand:** Did the Minister not have this Budget up his sleeve in November?

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

**Mr. Speaker:** The Hon. Member for Essex—Windsor.

**Mr. Steven W. Langdon (Essex—Windsor):** Mr. Speaker, I would like to direct my question to the Prime Minister. During the free trade debate the Prime Minister said that regional development programs were safe. Now, in the first free trade Budget, the Government is slashing regional development spending by 29 per cent per year from \$1.4 billion to \$1 billion.

Will the Prime Minister assure the poor Atlantic and western provinces of the country that the 44 ERDAs that have run out will have their funding renewed at the present level? Will that funding be put back in place?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I know the Hon. Member did not stay in the House for the presentation of the Budget papers yesterday. It is possible that he missed the information that was in the Budget speech.

**Ms. Copps:** He caught in on Global.

**Mr. Marchi:** He read it the day before.

**Mr. Wilson (Etobicoke Centre):** I refer the Hon. Member to page 8 of the Budget speech. The Government has had a tremendous commitment that has been clearly expressed in an increase in funding by 50 per cent in the previous mandate. Over the next five years that level of funding will increase by 35 per cent above what it was in the last five years.

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

**Mr. Wilson (Etobicoke Centre):** The Hon. Member understands, I think, the importance of the federal Government debt. We must get that debt under control. In facing that we have found the right balance to continue our commitment on regional development spending and at the same time get the debt under control.

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

[*Translation*]

## FINANCIAL SUPPORT BY THE GOVERNMENT

**Mr. Steven W. Langdon (Essex—Windsor):** Mr. Speaker, I have a supplementary. The Province of Québec now has twelve general agreements that will expire by the beginning of next year. Is the Government committed to providing financial support equivalent to the funding provided under these agreements? Is it a promise?