

### *Excise Tax*

He goes on to state:

At the time of the tornado I sincerely felt that you and your colleague at Queen's Park, Dr. Harry Parrott, were doing everything possible to expedite the financial commitment of your respective governments but, as time passed, it became evident there was no clearout plan in place, especially at the federal level, and a lack of participation by Ottawa certainly left a very bad taste in the mouths of many, many people.

As we have discussed on many occasions, I find it very difficult to understand why the federal government would want to collect taxes on building materials to rebuild a devastated area. I find such an act immoral or possibly I should say criminal. Many of those affected people did not know where their next dollar was coming from and the only thought in their minds was to get a roof over their family and a shelter over their animals, quickly, before winter came. From my discussions with the Canadian Chamber of Commerce who, as you know, had a conversation at that time with Mr. John Crosbie, then finance minister of the federal government, their findings indicated that the above mentioned tax exemption was a very popular suggestion with the politicians and not so popular with the bureaucrats in Ottawa who did not want the extra work in establishing a system to exempt 600 families from these taxes. I would like to see the federal government develop a plan in co-operation with the provinces for dealing with disasters such as the tornado.

I know there is a plan in effect but it does not deal adequately with this type of thing. This plan in effect gives the people of Canada the perception that the federal government, no matter which party is in power, does not care about the people of Canada who are faced with that kind of disaster.

Mr. Graham goes on to state:

This plan could be especially directed at putting into place proper funding arrangements. As far as I can understand, there is no such definite plan in place and I urge you and your colleagues in Ottawa to move on my suggestion.

● (1710)

He has a perception that there is no plan in place because there was no evidence from Ottawa that Ottawa had any concern about the fate of these people and about their deep financial losses.

I trust this letter will assist you in your efforts to move the politicians and bureaucrats toward the above mentioned suggestion. I sincerely hope so, I would not want to go through such a traumatic event again in my lifetime and I would hope that those who must would not have the worry of federal and provincial funding as we here in Oxford had in August, 1979.

Mr. Graham is obviously very concerned about the level of assistance and the evidence that the people at the senior government level do not care about people who suffer as a result of natural disasters.

I have just a few words to say about this disaster in order to explain what we were dealing with in this area at the time. This disaster affected about eight municipalities. As I mentioned, three counties were affected. Those were Oxford, Brant and the regional municipality of Haldimand-Norfolk. It affected the townships of East Zorra-Tavistock, Blandford-Blenheim, Southwest Oxford, Norwich, Delhi, Burford and the two cities of Nanticoke and Woodstock.

As a result of the losses which were suffered in this disaster a total of 688 claims were received by the committee which was put in charge of looking after disaster relief. About one-third of those were found not to be eligible. In that area 235 farms were affected, including 40 acres of apple trees

which were completely wiped out. Eight churches were badly damaged, as were four cemeteries and 256 homes in the city of Woodstock alone.

The Ontario government, which is governed by the dominion-provincial agreement, is responsible for tornado relief and disaster relief and has now come up with some figures on the over-all costs. When this tornado first struck, it was initially estimated that there was \$60 million worth of damage and that perhaps \$20 million of that damage was not insured.

The final figures which Ontario gave to us indicate a total loss of \$13.5 million, which is one of the biggest losses Canada has had for a long time as a result of a natural disaster. Of that, \$5.7 million worth of damage was insured. That left uninsured damages amounting to \$7.8 million. The committee in the local area which was charged with the responsibility of paying out relief funds paid out a total of about \$7.1 million.

The losses sustained in that disaster were quite significant and should certainly be of concern to us as legislators who are in a position to produce the laws which should help people across the country.

One cannot help but take account of the fact that many people deserve recognition for what was done after that disaster. I refer to people at the federal and provincial levels as well as local people. I refer to the Ontario Provincial Police and the public utilities commissions of the various areas. The Mennonite Disaster Service did a tremendous job in supplying help to those who needed it. Various churches, service clubs and individuals gave their time, money and goods to help those who were affected by this disaster.

I want to say a few words about the roles of the two senior governments after this disaster. There is no doubt that there is a federal-provincial agreement now in place which, I submit, is very inadequate. I know now there are plans afoot to change this, and I will come to that matter in a minute.

As I mentioned earlier, the federal role is very imperceptible to the Canadian people. They do not realize that the federal government has any role at all. As we look into the changes which are to come along, that has to be addressed. The Ontario provincial government has usually adopted a stance whereby it guarantees a matching payment to local funds set up to establish relief. The Ontario provincial government promised a matching grant in the ratio of three to one and, in some cases, possibly as high as four to one. There is some argument about this. I have a number of documents which show that there was a promise of three to one matching grants. This was never finally achieved because the final grant paid by the province of Ontario to the local fund for relief was somewhat less than the \$3.7 million or \$3.8 million raised by