

Mr. René Soetens (Ontario): Mr. Speaker, it is a pleasure to rise and participate in this debate, particularly as the member for the riding of Ontario. The debate is about the province of Ontario and the economic policies of the federal government as they impact on Ontario.

I have listened to two previous speakers from Ontario, one from a riding immediately adjacent to mine and one not too far removed from mine. We are operating in very similar economic environments, and there are some problems.

The member for Scarborough—Rouge River talked about some problems as though they were the problems of the federal government, such as municipal taxes. He said that the tax rates are going up because of the policies of the federal government. I would suggest that municipal taxes go up because provincial or municipal governments increase their spending. That is the reason they go up. When large salary increases are extended to teachers in the school board system, which has nothing to do with the federal government, the money must be found somewhere.

When we have an inflation rate of 1.7 per cent and they hand out salary increases of 6 or 7 per cent they must raise municipal taxes to find the money to do so. We at the federal level have recognized the problem of dealing with salaries. Although it was a very unpopular and very difficult thing to do we were able to accomplish some goals so that in the last budget it was possible not only to avoid tax increases but to have some tax decreases.

When the members opposite from Toronto area ridings complain about municipal taxes I would encourage them to talk to their municipal colleagues, and to put the blame where it belongs.

It is the same for provincial responsibility. Two members from the Liberal Party got up and spoke about the problems of southern Ontario as if those problems had absolutely nothing to do with the fact that Ontario has the highest spending government in Canada. Year over year it increases spending far more than anywhere else in Canada, including places like Alberta.

All I can say is that when we are talking about problems in Ontario in many instances they are directly related to the provincial government.

Supply

The members talk about welfare costs. Yes, there are more people on welfare and I am sorry to hear that. We did not force the provincial government to increase the payout to those receiving welfare over the last two years by 28 per cent. It chose to increase that amount and simply assumed we would write a blank cheque for whatever money it wanted. We did not force it to add all these day care centres on to the schools being built in my riding. It did that and presumed we would write a blank cheque to pay for them.

Those costs are strictly provincial, municipal, and school board responsibilities. To blame them on the federal government, as the two members opposite have done, does a total disservice.

On the other hand, as we in Toronto are impacted by high real estate costs, I did not hear these members say that because of the policies of the federal government we can now get mortgage rates substantially below anything they could ever get in their entire house-buying days, not just in their house-buying days but in mine as well. Mortgage rates are lower.

I come from a constituency that has a lot of new housing under construction. People are either getting their first mortgage or a renewed mortgage and they are all able to get one at a much lower rate than they have ever been able to in the past, unless they happen to be over 50 or 55 years of age and can remember those days when mortgage rates were low and very attractive. We are back down to those levels and there are projections that they may drop even further.

The members talk about the problems young people are facing.

It is funny that the member did not talk at all about the fact that the federal government introduced this 5 per cent down payment policy for Canada Mortgage and Housing. Young people are able to buy housing and take advantage of the very attractive house prices in the Toronto area right now. They can take advantage of very attractive mortgage rates and get into their homes, which is something that I thought the members opposite would say was a good policy.

However, I do not recall hearing them mention that at all. The impact of that housing policy allows for house construction and it creates construction jobs. When people build houses they put things inside those houses