

REGIONAL ECONOMIC DEVELOPMENT

TABLING OF INTER-GOVERNMENTAL POSITION PAPER

Hon. Sinclair Stevens (Minister of Regional Industrial Expansion): Mr. Speaker, pursuant to the provisions of Standing Order 46(2), I wish to table in both official languages copies of an inter-governmental position paper on the principles and framework for regional economic development. In a spirit of new co-operative relationship, the document has been signed by representatives of the federal, provincial and territorial Governments.

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DISASTERS

ASSISTANCE TO TORNADO-DAMAGED CENTRAL ONTARIO AREA

Hon. Perrin Beatty (Minister of National Revenue): Mr. Speaker, two weeks ago, several tornadoes struck central Ontario, devastating many homes, businesses and farms. While most of the damage was concentrated in my riding and that of the Hon. Member for Simcoe South (Mr. Stewart), other areas were also seriously affected.

The full extent of the losses and cost of restoration are not yet known, and federal officials are co-operating with other levels of Government on detailing the extent of damage and the status of clean-up and repairs.

This natural disaster has left hundreds homeless and put several hundred temporarily, and perhaps permanently, out of work. My purpose today is to describe the steps which our Government is taking to help alleviate the human and material loss, while recognizing that there is nothing that we can do to ease the sorrow of those persons who have lost family or seen their homes or lifetime work destroyed.

The Deputy Prime Minister (Mr. Nielsen), in his capacity as the Minister responsible for emergency planning, will provide federal financial assistance to help Ontario meet the costs of recuperating from the effects of the May 31 tornado. This federal aid will be provided under the terms of the Disaster Financial Assistance arrangements, administered by Emergency Planning Canada.

The DFA arrangements provide a mechanism for responding to provincial requests for disaster aid. A formula relating the disaster expenditures to the population of the affected province is used to calculate the appropriate federal contribution. Federal cost sharing begins when provincial expenditures on disaster relief exceed one dollar per capita, and becomes progressively more substantial as expenditures increase. The DFA arrangements include guidelines which describe disaster relief needs eligible for federal financial assistance.

Based on the Ontario Government's most recent estimate of the need for financial assistance, the province may be contributing about \$18 million and the federal Government about \$9 million, for a total of \$27 million. If the need is greater, then for each additional dollar contributed by the province up to \$22.5 million, Ottawa will contribute \$3; and for each

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provincial dollar over \$22.5 million, the federal Government will contribute \$9.

The agricultural community was especially hit by the tornado. Houses, farms, buildings and some crops were damaged or destroyed, and many farmers now face cash flow problems. Agriculture Canada is prepared to provide financial and counselling services to assist in rebuilding about 200 farms affected.

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My colleague, the Minister of Agriculture (Mr. Wise), who is here today will be setting up a special fund for farm assistance to finance a portion of farm capital reconstructions and re-establishment which are not covered by commercial insurance or by the DFA. Up to \$5 million has been set aside for this purpose.

Under the Central Ontario Disaster Relief Committee, Agriculture Canada, in co-operation with the province and with farm organizations, will set up a working group to co-ordinate delivery of information, counselling and aid to the farm community. Agriculture Canada will also assist in damage assessment.

If required, a temporary Farm Credit Corporation office may be established in Orangeville to assist producers in assessing damage to their farms and in developing financial plans for future viability. As well, the FCC will assess requests from any of its borrowers in need of assistance as a result of the tornado. The corporation will consider reamortization of loans, temporary deferral of payments, or other special arrangements to suit the needs of individual borrowers.

My colleague, the Minister of Employment and Immigration (Miss MacDonal), will take action to alleviate the hardship of residents in the stricken communities by making job creation funding available under Section 38 of the Unemployment Insurance Act to assist in community repair and restoration. This will help fund special restoration projects in such areas as Barrie and Grand Valley.

As well, Mr. Speaker, the commission recognizes that some urgently needed skills may be in short supply during the next few weeks. Under its mobility program, the commission will assist in defraying the costs of bringing skilled workers into the area to hasten the rebuilding, if necessary.

Fifteen additional employment and immigration staff members have been assigned to an emergency centre in Barrie to supplement the local staff in dealing with the loss of employment.

To help those who have lost their jobs as a result of the tornado, the Barrie office has set up a central unit to speed the processing of unemployment insurance claims, as well as an emergency cheque distribution centre.

The Ontario regional office of the Department of Regional Industrial Expansion has established a task force to address the damage to manufacturers and service industries in the area.