

*Government Orders*

done such a superb job in ensuring that the enhancement and opportunities for all Canadians are there.

We can look at the agricultural side with the federal government participating with a \$30 million tobacco assistance program or at the establishment of a bank for surplus maple syrup, which helps a lot of eastern Ontarians. I know my colleagues from the province of Quebec would certainly applaud this type of program. The federal government provided \$6.5 million for renovating the veterinarian college in Guelph. The list is so long that I just do not have the time to continue.

However I just want to go to a few other areas. I noticed earlier that a colleague from the NDP was mentioning housing. An agreement in clearing the way to construct 6,700 non-profit housing units in Ontario has been signed by the federal and provincial ministers of housing. I should congratulate our Minister of State for Housing. He is doing a superb job, not only in Ontario but across this country. Earlier this month I had the opportunity to participate in a sod turning ceremony in New Liskeard.

In March 1989 in Ottawa, Ontario a working agreement to fund literacy initiatives in the province was developed. Funding arrangements were announced in June 1989. These projects are part of a \$110 million federal literacy strategy announced in September 1988.

• (1630)

I would like to break it down into parts where I think it is so important. We talk and hear about the ongoing process of regional development over the next five years. This government has recognized how important regional development is. In recognizing this we have put \$225 million to be spent in regional development in Ontario. Part of that is \$100 million of expenditures under IRAP, or the older DREE programs.

I would like to touch on the area of northern Ontario because I want to applaud the Prime Minister, the minister of industry, the government House leader and the finance minister for really looking at this area with initiatives that can help. I would like to talk about FedNor and the way that we have been able to develop a program that has given the opportunity for investment in northern Ontario.

It also has given an opportunity for a board to be set up with a system of offices, whether we are looking at Thunder Bay, Sault Ste. Marie or Sudbury, where officers are working directly with everyone in northern Ontario. We are looking at a program that has \$55 million of new money available. In fact, we have topped it up with another \$14 million in the budget this year. On the night of the budget, it was interesting to hear members of the opposition crying that FedNor was dead. Instead, this government recognized regions of the country, like northern Ontario, and increased the budget by \$14 million.

With money such as that we have been able to do projects, whether it is the Sudbury Nuetrino Centre, which is world class, whether it is a new plumbing fixtures company in North Bay or whether it is money toward the winter Nordic games in Thunder Bay.

We are going through some very difficult times in my area. It is one of the unfortunate facts when you live on resources. When you have been involved in forestry or mining for a number of years, as a mine opens you know it is one last day before it is going to close. We have gone through some difficult times both in the iron ore and the gold and silver sector. With a combination of five cabinet ministers, the Prime Minister and a striking committee, we have been able to resolve some of the difficulties and change some of the problems we are facing.

The other part of the FedNor program is to ensure that tourism, loan guarantees or the opportunity to establish co-operation between both provincial and federal departments does indeed take place.

The PC government income tax reform proposals means a fairer system with lower rates which will benefit all Ontarians. Earlier, we heard about tax and tax reform but we never heard the good part. It is that 300,000 Ontario residents will no longer pay federal income tax. Almost 4.5 million have seen their taxes cut. Small business tax rates have been cut and a full \$500,000 capital gains exemptions for small business began in 1988.

Agriculture continues to enjoy one of the lowest tax rates of any sector with the lifetime capital gains exemption for farmers remaining at \$500,000.

Ontario's economic output is estimated to increase by 1.1 per cent after the 13.5 per cent manufacturing sales tax is replaced with the 7 per cent GST. As someone who