

Adjournment Debate

Eleven million dollars for a five-year period, \$55 million if such is eventually the size of the Northern Ontario Redevelopment Fund, is less than the five months' budget of the provincial Ministry of Northern Affairs. When we compare, on a per capita basis of residents, or on a per capita basis of those who are actually unemployed and to whom obviously the fund is directed in terms of creating employment for them, we see that northern Ontario is receiving significantly less than the other areas of the country which have recently received announcements.

It is not that we begrudge anything going to the Atlantic or the western provinces, but Atlantic Canada, with four times the unemployment of northern Ontario, depending on the method of calculation, will receive between 18 and 25 times the assistance provided for in the Northern Ontario Redevelopment Fund. Western Canada, with approximately ten times as many residents and unemployed, will receive approximately 30 times the assistance. Yet, the geography and the economy of northern Ontario, particularly my own part of northwestern Ontario, is so much closer to that of the Maritimes and that of western Canada as to resemble either of them far more than the economy of southern Ontario. For example, parts of my riding are farther away from Toronto than any capital of a maritime province. There are parts of my riding that are much closer to Calgary, indeed closer to Cranbrook, British Columbia, than they are to the booming economy of the golden horseshoe.

• (1825)

The difficulties which northern Ontario has had to face were aggravated and indeed consisted mainly of the loss of jobs and government jobs in particular. While the Government was answering in the House that jobs were not being transferred out of northwestern and northern Ontario, Departments were cutting employment. These included the Wheat Board, the Department of National Defence, the Canada Employment and Immigration Commission, Indian and Northern Affairs Canada, and also the Crown corporations of CN Rail and Canada Post which have been cutting jobs in northern Ontario.

Yet there are very significant opportunities which this fund must take advantage of in order to build up the employment base that the Government has so far eroded. They lie in gold mining and in construction for the service industry and for the modernization of our great pulp and paper mills. They lie in the infilling of the service sector with particular reference to tying in the economy of native communities with the economies of cities and towns.

Another disappointment is that nothing has happened in the four weeks since the announcement was made. The Solicitor General (Mr. Kelleher), who is the Minister nominally responsible, has not even replied to correspondence concerning proposed nominations to the board, and no civil servant has been named to the staff of the new fund.

The remedies are clear. The budget must be at least doubled. The \$15 million budgetary charge against the potential loan losses should be converted to a real allocation against future loan losses, a true loss provision for these loan guarantees. Only by that sort of measure could the Government convince the people of northern Ontario that it is serious about the economic redevelopment of our region.

Mr. Doug Lewis (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I am pleased to have an opportunity to reply. I want to assure my hon. colleague that the Government is very serious about addressing the concerns of northern Ontario.

Before I give my formal reply, I want to say that I am disappointed that my hon. friend does not appreciate and in fact criticizes the efforts we have made to assist the Atlantic provinces and the West. I want to point out that he does not speak for Ontario when he says that.

Mr. Parry: I did not say that.

Mr. Lewis: All Members from Ontario want to assist the other parts of the country which are economically disadvantaged. We are proud of what we are trying to do for other parts of the country. It is very distressing to hear my friend criticize what is being done for the Atlantic provinces and the West.

The Hon. Member has referred to what we are doing. Let me point out again that we announced on July 13, 1987, a new economic development program for northern Ontario. It is focused on the creation of a special northern Ontario development fund of \$55 million and, which my friend conveniently left out, the use of loan guarantees, loans and grants, which has a potential to provide a value of \$100 million through the private sector, which, of course, the NDP does not like.

Let us consider the program. It is resourceful, imaginative, original, and flexible. It is not completely government and bureaucrat driven, which I know bothers my hon. friend from the interventionist socialist Party.

We have an advisory board of some 12 private sector leaders who are resident in northern Ontario, not in Ottawa. They will all be from northern Ontario and will provide important local advice on the planning and the programming in order to get northern Ontario directly involved.

It will be of particular benefit to medium and small businesses. We all realize that that is the backbone of the economy and we want to attempt to get away from the one-industry town stigma which too long has hampered development in northern Ontario.

We have established a DRIE office. We will have a local senior official who will have secretarial assistance to the advisory board.

We will make the announcement about the advisory board very shortly. I am pleased that my colleague has offered some