

in my riding. It is a fact that mining operations are removed from large centres, so that it is difficult to attract and keep workers in those communities. Not only are there centres such as Timmins, but new development like Detour Lake next to my riding, and also Hemlo which is located in the northwestern part of Ontario.

I am quite happy that Mr. Wilson's Budget states:

The current system does not apply uniformly to employees in these communities. Consultations are commencing on how the existing system might be improved.

[English]

That is one major problem. There is a second one in connection with mining. What happens to the community and to the workers when an ore body is exhausted and the operation is closed? Again, I know I speak for the thousands of miners in my riding and the many thousands of miners throughout Canada when I say the initiatives outlined in the Budget are most welcome. Let me quote the Minister of Finance (Mr. Wilson):

The Government believes that when industrial closures occur, it is often appropriate to join with employers to assist those who were displaced. Accordingly, the Government remains ready, on a case by case basis, to consider exempting severance pay and termination payments from tax in the case of closure of the principal industry in remote communities where alternative employment opportunities are limited or simply do not exist.

I am also pleased the Budget calls for reform to the pension system. As a result of the new Budget, employees under federal jurisdiction will have their pension contributions locked in after two years and their pension plans will be portable. Unfortunately, Mr. Speaker, this cannot be extended to the mining and forestry sector at this time because those sectors come under provincial jurisdiction. Workers in the forestry and mining sectors have long requested the portability of pension plans due to the transient nature and the many closures within the industries. We will continue to negotiate with the provinces with a view to having them follow our lead on pension reform.

I am proud of the strong economic base in my riding, a strength which has increased with the election of a Progressive Conservative Government and the start of a renewal of the nation as a whole. The three major mining companies in Timmins, Kidd Creek Mines Ltd., Pamour Porcupine Mines Limited and Dome Mines Limited returned to the proper side of the ledger for their local operations in this first quarter of 1985, and the outlook for mining appears bright for the years ahead, especially since I am expecting the Minister of State for Mines (Mr. Layton) to do something to protect those mining communities from fluctuations in the price of gold. Elected municipal representatives from my riding have headed two delegations from the community which have met with the Minister of State for Mines.

As well, the outdated regressive taxation system imposed on the mining industry by some provincial governments should be examined. As part of our ongoing consultation process with the provinces, taxation reform to the mining industry should be set as a priority.

The Budget—Mr. Gervais

● (1620)

Another major mining centre in my riding is Wawa. Again there were problems as the workforce was substantially reduced between 1981 and 1984. The economic turn-about as a result of this Budget should offer some security to those employed in the iron ore operation on the shores of Lake Superior.

The second most important industry in my riding is forestry, which is based on a renewable resource, in comparison with mining, which is based on a non-renewable resource. Lumber and waferboard, as well as pulp and paper, are the products. Not only does our forest provide a means of livelihood for 2,550 men and women but for entire communities such as my home town of Iroquois Falls and Chapleau. My constituents were pleased when the Hon. Minister of State for Forestry (Mr. Merrithew) signed a recent, long overdue, forestry agreement with the Ontario Government under ERDA. A long lasting supply of timber is paramount to the continued prosperity of those communities, and reforestation is therefore vital.

I hope all Hon. Members realize that the Budget is a turn toward economic sanity. There is an ancient Chinese saying that the longest journey starts with a single step. The Budget now before this assembly is that step. We are embarking upon a long and difficult journey toward the day when there will be a fair and just tax system which Canadians will support and of which they will be proud.

I should now like to deal with a rather amazing situation, that is, the reaction of some senior citizens in my riding to the news that they were being asked to play a part in the great renewal taking place in Canada. I am happy and proud to say that not a single complaint by senior citizens was registered either in my constituency office in Timmins or with any of my six contact people who work in such communities as Iroquois Falls, Wawa, Chapleau, Gogama, Cartier and Foley; not a single one.

[Translation]

On the contrary, Mr. Speaker, I am pleased to inform you that many senior citizens have called me to say that it is time that we put our economic house in order and that we try to redress the damage caused by the wasteful years of the previous Government.

Some Hon. Members: Hear, hear!

Mr. Gervais: Senior citizens are important in my riding since there are 5,445 people aged 65 years or older, who represent 8.3 percent of the population. Mr. Speaker, these people have nothing to prove and they should not have to be obliged to anyone.

Many pioneers are still living in Northern Ontario. Those men and women arrived when that land was still wild in order to build railways, industries and communities. There are still log cabins that were built by these people who are senior citizens today.