

constant problem for the small businesses in my riding to secure financing for their enterprises. It seems there should be increased management services available to recipients of DREE grants to ensure that these companies not only meet the equity and other requirements of the act and regulations to qualify for a grant, but also to continue to keep the project operating viably.

I would like to see DREE grants available to the tourist industry as well. In many areas of Canada which are now designated for these grants, such as northern Ontario, we have all the natural beauty for tourism. We have, in the Algoma riding alone, hundreds of miles of shoreline on Lake Huron and Lake Superior as well as a multitude of lakes and streams. However, the financial wherewithal is lacking to develop our tourist industry fully. The Speech from the Throne outlines help for the tourist industry. I hope this is help which will be beneficial at the local level and not just some national survey system which will have little effect.

I am looking forward with interest to the Minister of Finance (Mr. Turner) introducing changes to extend and improve the Industrial Development Bank. This will be good news for the small businessmen who in the past have found it a hard-nosed organization with high interest rates and closed-end mortgages in which no one could get very interested. The rates should be lowered and the pay-off arrangement should be open-ended. I am told by businessmen in my riding that the funds available and the interest charged by the bank in making loans have increased in the past several months. This is encouraging. When the amendments are introduced I hope they will contain provisions to make the terms of the loans more attractive.

The Speech from the Throne proposes that the federal government will meet with the provinces to examine the impact of freight rates on economic development and consumer prices. There can be little doubt what the results of this examination will show. It will show that freight rates and transportation costs raise consumer prices in northern Ontario and inhibit economic development. The DREE program of incentive grants is designed to be a stimulus to overcome this effect on economic development, but it does not fully compensate for the transportation costs. The costs of transportation are likewise detrimental to consumer prices in the Algoma riding. This meeting of federal and provincial governments should produce a solution to this problem which is as old as confederation itself.

I suggest that when these discussions are held with the province of Ontario they be held in northern Ontario. We are the people who suffer from the high freight rates. We are the people most concerned in this province. The good will of both the federal and provincial governments in these discussions could be demonstrated by holding these meetings in northern Ontario.

The Speech from the Throne gives an outline of the measures to provide jobs on a direct employment basis to counteract the unemployment problem. These include the local initiatives program, the on-the-job-training program, direct employment by the federal government on labour-intensive projects and the winter capital projects fund.

I believe that the winter capital projects fund will be a most beneficial program to municipalities. It will be a

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loan fund of \$350 million for community projects. As I understand the program, it will operate for two and a half years. One half of the on-site labour costs will be forgiven during the summer months and all of the labour costs forgiven during the winter months. The advantage to the local municipality is that it provides a source of loan funds in which labour costs are forgiven. However, all the construction does not have to be undertaken during the difficult winter months, although there is additional incentive if it is carried out then. I hope the Minister of Finance will be sending the information on this program in the very near future to the provincial governments who will administer it. There is interest in this program, but detailed information is just not available.

Likewise, with the local initiatives program the approvals are coming through so late this year that the total impact of the program is reduced. Henceforth, the program should be started with the approval of projects so that work can begin in November and, where projects are not completed by May 31, extensions should be made.

The Speech from the Throne outlines several measures concerning our social policy. The relationship between social aid, unemployment insurance and work in our society is one of the most complex because it involves all levels of government, the private sector of our economy and a person's ability to work and get a job. It is proposed that the blind, disabled and aged will receive an equitable guaranteed annual income, that there will be an incentive to work built into our social welfare system and a more equitable relationship between those who require social aid and those who work at the minimum wage level. There has been increasing criticism of these problems recently in my constituency. Good co-ordination between the welfare board and community local initiative programs has been beneficial in some areas of Algoma. However, this has only been helpful in the winter months. I hope these proposals contained in the Speech from the Throne will be useful in building a system which will utilize the employable recipient of welfare or unemployment insurance benefits for worth-while community projects when no work in the private sector of our economy is available.

The speech also outlines the intention of the government to increase the benefits of old age pensioners. This will be welcome news to the pensioners in my constituency. I am surprised that more people are not aware of the automatic escalator clause in the old age pensions which we passed last spring after the budget. It is my understanding that the basic old age security pension is now raised to \$86.51 per month. The maximum benefit under the guaranteed income supplement and old age security is now \$156.75 per month for a single pensioner and \$297 per month for a couple. The Minister of Finance should immediately introduce the bill to increase the additional exemption for old age pensioners to \$1,000. I have received many letters from constituents requesting that this provision of last June's budget be implemented.

We have seen some interesting politicking going on in the House this week. We see the Leader of the Opposition (Mr. Stanfield) hungry for power, ready to move any motion and pursue any strategy to achieve it. We have seen "Prince George" of Hastings try to adjourn the