

McGUINTY GOVERNMENT SETS RATES FOR ONTARIO SAVINGS BONDS

Bonds Are An Investment In A Stronger More Prosperous Economy

TORONTO — Finance Minister Greg Sorbara announced interest rates for the 2005 issue of Ontario Savings Bonds (OSBs) that go on sale today, calling them a sound investment in the future for both investors and the province.

“By investing in Ontario Savings Bonds, Ontarians are investing in the things that are important to them,” Sorbara said. “Throughout Ontario, small and large-scale purchasers alike have the opportunity to make a good investment that contributes to their own economic well-being and at the same time strengthens the economy of this province.”

The five-year Step-Up Bond interest rates are 2.25 per cent this year, 2.75 per cent in the second year, 3 per cent in the third year, 3.50 per cent in the fourth year and 4 per cent in the final year. The three-year Fixed-Rate Bond interest rate is 3.10 per cent, and the seven-year Variable-Rate Bond rate is 2.35 per cent for the first six months.

The interest rate for the next six months for the 1999-2004 Variable-Rate Bonds was also set today at 2.35 per cent.

This year, the 1998 Variable-Rate, 2000 Step-Up, and the 2002 Fixed-Rate Bonds are maturing and purchasers can extend their benefits by reinvesting in 2005 Ontario Savings Bonds.

Ontario Savings Bonds are available at banks, trust companies, credit unions, *caisses populaires* and through investment dealers.

“OSBs contribute to the prosperity of our province – the place where we live, work and raise our families,” Sorbara said. “They are also a popular investment that provides Ontarians with the flexibility of three investment options and competitive rates.”

Available until June 21, OSBs are backed 100 per cent by the Government of Ontario and they are sold in amounts from \$100 to \$500,000. This is the 11th anniversary for the province-wide investment option.

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