

2001 ONTARIO SAVINGS BONDS - COMPETITIVE RATES - SECURE INVESTMENT

Toronto - Finance Minister Jim Flaherty today announced competitive rates to support increased investment in the province's strong economy through the 2001 Ontario Savings Bond (OSB) campaign, which runs from June 1 to 21.

"Ontario residents who buy Ontario Savings Bonds will be investing not only in a strong and diverse economy, but in the future of their province," Flaherty said.

The five-year Step-Up Bond interest rates are 4.25 per cent this year, 5 per cent in the second year, 5.75 per cent in the third year, 6.25 per cent in the fourth year and 6.75 per cent in the final year. The three-year Fixed-Rate Bond interest rate is 5.50 per cent and the seven-year Variable-Rate Bond rate is 4.5 per cent for the first six months.

The interest rate for the next six months for the 1997, 1998, 1999 and 2000 Variable-Rate Bonds was also set today at 4.5 per cent.

This year, 1996 Step-Up, Variable-Rate and 1998 Fixed-Rate Bonds are maturing and purchasers can extend their benefits by exchanging them for 2001 OSBs.

"Purchasers of Ontario Savings Bonds will be attracted to our competitive rates and the different purchase options," Flaherty said. "People like to know that their investment is secure and working for them right here in their own province," he added.

Ontario residents have the convenience of buying their bonds directly by telephone or by downloading an application from the Internet. Bonds are also available this year at banks, trust companies, credit unions, caisses populaires, Province of Ontario Savings Offices and through investment dealers.

Ontario Savings Bonds are available in amounts from \$100 to \$500,000 and they are backed 100 per cent by the Province of Ontario.

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Or visit the Bond web site at <http://www.ontariosavingsbonds.com>