

Rusty Ford Owners...

...file papers in Supreme Court

# Local man at centre of \$371 M lawsuit

Tom Beene of Georgetown isn't at all nervous about finding himself the centre of the largest automobile class action lawsuit in Canada's history. The only thing, in fact, that perturbed him Sunday afternoon as the announcement of the filing of a \$371 million lawsuit against Ford Motor Co. on behalf of Mr. Beene and four other Ford owners was made at a national press conference in Toronto was that he had to unexpectedly join a panel of lawyers and automobile experts to answer questions about the lawsuit.

"I wasn't expecting this at all," he commented about his spot on the hot seat following the lengthy discussion in the downtown Holiday Inn.

Was he nervous about the importance and the size of the legal battle that he has initiated as president of the Rusty Ford Owners Association of Ontario, "No, we're simply doing what we feel is right."

Beene's story is a familiar one for Georgetown residents who have become quite used to seeing his rusted 1972 F100 pickup truck since he decided to make a point about the rusting body work last summer by covering the vehicle with signs pointing out its problems and complaints.

From the early stories of Mr. Beene's dissatisfaction has grown the Rusty Ford Owners Association and from their desire to be compensated for damage to their vehicles has come the \$371 million class action against Ford.

A writ of summons was issued in the Supreme Court of Ontario last Friday af-

ternoon on behalf of Beene and four other purchasers of new 1970 through '74 Ford motor vehicles, claiming damages for "breach of warranty."

According to a statement issued by their lawyer, Jeffrey Lyons, "the plaintiffs claim that the defendant has breached certain implied warranties i.e. that the vehicles were not reasonably fit for the purpose for which they were intended and would be of merchantable quality."

"Moreover the plaintiffs claim that the defendant has breached certain expressed warranties contained in certain advertising materials, brochures, etc., and also reports obtained from the defendant which the plaintiffs have now been made privy."

Lyons added that a further class action against Ford for the model years 1975 and 1976 is contemplated.

The report from Ford which Lyons referred to was a confidential internal Ford quality control document made available by Ralph Nader's Washington Centre for Auto Safety through the Montreal-based Automobile Protection Association.

Phil Edmonston, chief spokesman for APA, was present at Sunday's news conference and explained that the Ford report indicated the company had created a secret system of warranty extensions (under the title Program J-67) to cover premature rusting of its vehicles in the United States "but refused similar compensation to many of its Canadian victims."

According to Ford's own documents,

copies of which Edmonston released to the press Sunday, the premature rusting of its vehicles is caused by inadequate metal preparation; the severe "tuck-under" design of the Torino, Montego and Pinto, and sub-standard painting.

Edmonston added that the APA has hired an engineering firm to further investigate whether or not proper metal has been used by Ford.

Lyons explained that although all original owners of Ford cars manufactured in

Canada between 1970 and 1974 were listed as plaintiffs in the case that did not mean that if the case is eventually decided in their favour that they would all receive the \$1,000 per vehicle asked for in the writ.

"Each person who claims to be a member of that class would then have to step forward and show that his vehicle had rusted out well beyond what is considered ordinary."

A fund of \$371 million (\$1,000 for each Ford vehicle sold in Ontario between 1970 and

74) would have to be set up by Ford from which proper compensation to each owner would be paid, once he had proven his individual case before a "corporate referee".

Lyons warned that Beene and the other four claimants shouldn't "expect it to be an immediate success. It's going to be a long, protracted fight."

A precedent-setting case in which owners of Firenzas, manufactured by General Motors, sued that car maker is still before the courts two years after it began.

The most encouraging sign he could offer Beene was that Ford recently settled out of court a Michigan class action lawsuit for \$27,500 brought by 29 Ford owners complaining of premature rusting.

Ford refused to settle out of court with the Rusty Ford Owners.

Referring frequently to the information in the controversial J-67 document Edmonston stated that in it "Ford doesn't say that rusting is only a problem with some of their cars but all of their cars. That's frightening."

The report states that "there is a serious vehicle rust problem on our 1969 through 1973 vehicles in a maximum corrosion environment."

A memo sent by Ford to "All regional and district managers" announced a "limited service program covering body rust on 1969-1972 model cars and light trucks."

The program was not to be revealed to individual dealers. Instead all complaints were to be handled by the district managers who allowed "100 percent coverage of repair

costs through the first 24 months and 75 percent from the 25th to the 36th month without regard to mileage."

Canadians, said Edmonston, have never had the benefits of that type of extended coverage.

Industry standards state that all vehicle should remain free of rust for one year. In two years only rust that can be wiped off should be allowed. "No metal perforation on exterior appearance panels is permissible for five years," the industry regulations state.

APA, said Edmonston, has over 5,000 complaints in their files from buyers of late model Fords complaining of severe rusting problems with their vehicles. The majority of claims have come from Ontario, Quebec, and the Halifax area of Nova Scotia.

Edmonston also mentioned that two government agencies are investigating problems with premature rusting of Ford vehicles.

The federal department of consumer and corporate affairs has initiated a misleading advertising investigation of Ford's advertisements claiming that its 1976 models are free of the premature rusting problems affecting its 1970-74 models.

The federal ministry of transport is also investigating allegations that Ford's premature rusting problems may be a safety hazard to the public.

The problem, concluded Edmonston, is now beyond the point of planned obsolescence. "They've come up with a biodegradable vehicle."



As Phil Edmonston addresses the press conference Tom Beene (second from left) listens in.

## Taxes up 10 mills so far

Ten mills and still rising. That's the way Halton Hills' budget stands at the present time with two-thirds of the total budget finalized, including the largest expenditure paid by taxpayers; education.

With only the region's share to be added it is definite now that Halton Hills' taxpayers will be facing increases of roughly 10 to 12 mills or over \$75 per household.

Although it is still two weeks away from being finalized the region's budget indicates a sizable increase. At last week's regional council meeting several councillors commented on the \$5 million increase that will have to be faced by Halton taxpayers.

That figure has not been officially confirmed, however, as the region's administration committee continues to whittle it down.

As it is now, residents in the part of Halton Hills which was formerly in Oakville, will face the smallest increase in the town. The municipal portion of their tax bills will increase by five percent or .07 mills and their education portion will be up roughly 9.7 mills or 12 percent.

Last year their tax bill was up a total of 4.08 mills.

Georgetown residents will see the municipal portion of their taxes jump 4.2 percent or 1.21 mills which, based on this year's assessment, will mean a \$9 increase. Their education bill will be up nine mills. Last year's total mill rate increase for Georgetown was 1.13 mills.

Tax bills for Acton residents will show an 11.4 mill rate increase for education and 1.40 mills for municipal services. Last year their total mill rate increase was 3.86 mills.

Esqueping ratepayers will have the highest mill rate increase for municipal service costs as a result of a 6.2 percent jump which will average out to approximately 1.5 mills or \$10 per household.

Further details of the education and municipal budgets are provided in inside stories in today's Herald.

# the HERALD

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## Council doors open

With the majority of the members of council admitting that they had no major problems or complaints with the town's press town council last Tuesday night agreed to retain the system that has been in effect since the first committee meeting of Halton Hills: press and public may attend any committee meetings.

The decision to continue with the existing system squashed a general administration committee recommendation that the public and press be prohibited from committee meetings with the exception of special delegations.

Chairman of the committee, Councillor Les Doby, explained to council why he had supported closing the doors. "I have no problems with the press but my intent is simply to re-establish the credibility of myself as a representative of the people." He explained that many times he was asked questions about press reports on events at committee meetings other than his own for which he had little or no information.

He added that he had opposed opening committee meetings, which he called the "working meetings of council", when the issue was first discussed during Halton Hill's first days.

Pointing to the fact that each councillor has the agenda of other committees' meetings prior to those meetings, Councillor Dick Howitt replied to Councillor Doby that "I know the feeling that you have but you are aware of the fact that an issue is coming up... You're not completely out in left field."

"But I like to be in a position to respond to people when they call," commented Doby.

Councillors Russ Miller stated that

having the press report committee meetings aided in his communications with his constituents.

"It gives the public a chance to get back to their representatives with their feelings before the matter goes before council and is passed."

"To deny them the freedom they're entitled to," commented Councillor Henry Levy, "not only are we eating away at the press and public's right to know but we're also eating away at their democratic freedom."

Councillor Roy Booth, who also strongly supported closing the doors, pointed out that he had discovered that all other municipalities, with the exception of the region itself, excluded the press from their committee meetings.

Jokingly Councillor Mike Armstrong wondered why the suggestion to close

meetings was coming up this year, an election year, when all councillors should be keenly interested in receiving all the press they could get?

"To that Councillor Doby quickly replied that there would likely be less "politicizing" at committee meetings and more work done if the press was not present."

A suggestion that the committee meetings be switched with the meetings of the subsidiary planning board, (usually held on the Tuesday night following the committee meetings) in order to allow the press and public to attend was voted down.

On the vote against allowing press and public to attend committee meetings Councillors Doby, Booth, Hurst and Hyde voted in favor of the closure while Mayor Hill and Councillors Morrow, Maltby, Levy, McKenzie, Armstrong and Miller voted against the change.

## Old arena going to be saved

Plans for a second ice surface at the Gordon Alcott Memorial Arena have been shelved as council last Monday night made a surprise move to immediately set aside \$200,000 for renovations to the Georgetown Memorial Arena.

Acting upon a report from consultants hired by the town that indicated that the old arena could be reconstructed at a cost not to exceed \$200,000 town council decided to hand the matter over to their special committee which has been handling construction of recreation facilities in Georgetown.

But not without opposition. Councillor Ric Morrow complained that the report from their consultants was incomplete and could not ensure that the entire arena, including the Rose Room and the front entrance, would be safe for use once the work is completed.

"For \$200,000 this consultant can't guarantee the safety of this building. If he can't I don't see how any councillor can," commented Morrow.

Councillor Erv Hyde furthered Councillor Morrow's comments by noting that an engineering firm he had contacted had studied the old arena and had concluded that the work on the building might not be expensive as indicated in the town's report.

However councillors disagreed with suggestions that further engineering reports be carried out, delaying the work at a time when speed is required if Georgetown is going to have a badly needed second ice surface in time for use next winter.

"My main concern," concluded Councillor Roy Booth, "is to get a second ice surface back on line in time for next winter."



MAYOR TOM HILL, couldn't resist the temptation to ask Provincial Treasurer Darcy McKeough if there was any more money on its way to the region or Halton Hills

## \$106,000 works garage gets full approval

The town's new works garage will be well underway by this fall, if not totally completed. Town council last week approved partial financing of the new garage to be built adjacent to the municipal building on the Seventh Line.

Councillor Erv Hyde, who has been acting as the chief proponent of the building's construction, estimated that the entire building will likely cost a total of \$106,000, much higher than the original estimate of \$80,000.

Expanding the costs Councillor Hyde said that the basic structure of the concrete block building will cost in the area of \$90,850 and the furnishing of it will require an additional \$15,000.

When questioned who would be handling the brickwork Councillor Hyde stated that he was aware of only one person in town capable of carrying it out to which Mayor Tom Hill replied, "I don't think it's at all fair to just go

and ask one person."

Mayor Hill pushed strongly for putting the work out to limited tenders, which it will be.

When criticized about the way in which the planning and now the construction of the building is being carried out Councillor Hyde countered that a building of similar construction would cost \$17 per square foot but, by acting as their own contractors on the project, the town's works department will be bringing the cost down to \$10 per square foot.

Councillor Harry Levy angrily commented "The way we're handling this is wrong." He claimed that it has never been authorized by council in the first place. "We still haven't seen any plans."

"To suggest we have taken the wrong route," said Councillor Hyde, "may be someone's opinion. But we've taken a route that will expedite the construction and at the lowest cost possible."

## Four men injured when changehouse collapses

A Georgetown man is in St. Michael's hospital in Toronto with "serious back injuries" sustained when a changehouse he and three other men were disassembling at Cedarvale Park collapsed Monday morning, police report.

Charles Sheppard, 61, of 15 King St. is "in serious condition but conscious," said a hospital spokesman at press time. The full extent of Mr. Sheppard's injuries were not known and he is under observation, the spokesman said. "His vital signs are stable."

Mr. Sheppard was taken first to Georgetown District Memorial Hospital, along with two other men on the town crew

which was taking down the changehouse, then transferred to St. Michael's in Toronto.

Also injured in the mishap, in which the roof collapsed, police say, were Samuel Tenant, 60, of 59 Wellington St., Acton and Virginia Desousa, 25, of Georgetown. Both men were treated at the Georgetown hospital and released.

Kent Robinson of Georgetown, the fourth man on the works crew escaped unharmed in the incident which occurred at 11:35 a.m.

The town superintendent, Frank Morette, will be submitting a full report as soon as he has finished investigating, according to Robert Austin, the town engineer.

## Sludge site closed, but what to do with the mess?

There was an unexpected surprise ending to an action of the works committee Monday evening when it turned down a request from Blue-Spruce Enterprises for a special permit to transport digested sludge to a lot on Concession 4 about a mile and a quarter from Hwy. 25.

Stephen French, of Blue Spruce Enterprises, was asking the committee to grant his company a special permit which would permit tankers loaded with sludge and weighing up to 90,000 pounds gross weight on the class B road which has a weight limit of 22,000 pounds.

Councillor Dick Howitt told Mr. French that the

ministry of the environment that day was sending out a letter withdrawing approval of the site. In addition, the town solicitor had advised him, Mr. Howitt said, that "the use of the land was contravening the zoning bylaw."

Town engineer Robert Austin read from the municipal statutes that if a truck had a license to carry 60,000 pounds, the town could issue a special permit to allow that weight on a class B road.

Councillor Howitt's motion not to grant Mr. French's request was put to the floor and seconded by Councillor Erv Hyde who had earlier had expressed sympathy with the service Blue Spruce Enterprises provides. The motion passed.

It was then Mr. French advised the committee that sludge, after being on the fields for a period of time, must be picked up again and that his lightest truck weighed 21,000 pounds empty. He did not favour the idea of making three trips, as would be required, instead of only one, he said.

"If I can't get the sludge out, I can't get (the sludge) out."

What will happen next is anybody's guess but the people of Milton and Oakville who use Mr. French's service are likely to be most affected by the situation.

## CVCA approves study on removal of dam

The Credit Valley Conservation Authority has allotted \$15,000, at a 75 percent grant, to undertake a study of the controversial Paper Mill dam.

Some local residents hold the dam responsible for ice-jamming, which results in damaging floods. Technical consultant, through in-depth hydrological analysis, will determine whether or not this theory is true.

A report presented to the authority by Engineer Bassel Knowles suggest that "microclimatology" conditions, not the dam, may be the hindrance to the ice break-up. Since the Glen is located behind the northern slope of a very high hill, both the height and the topographical position of the hill in relation to the sun and the tree cover along the river protects the ice from the elements, and consequently, ice-jamming occurs.

Re-locating the river channel in an exposed area of the floodplain would solve this problem.

But why not remove the dam? Specialists will investigate the dam's possible benefits: keeping ground water levels high which keeps the wells filled; curtailing sedimentation; providing a crossing structure for the gas pipe line; breaking up the ice which falls over the spillway; preventing fish from migrating upstream, and retaining the level of water behind the dam for aesthetic purposes.

If the consultant's report, to be presented to the authority in about a month, concludes the dam is more problematic than advantageous, chances are it will be removed.

The hydrological, environmental and social effects of the dam are also under investigation.

# Regional government helps balance tax--McKeough

In his speech to the Georgetown Chamber of Commerce last Thursday night, the Treasurer of Ontario, Darcy McKeough, explained why restructured government should not be held

solely responsible for the tax 60 percent increase, in the new regions.

Ministry studies of 10 regional municipalities, established from 1969 to 1975 inclusive, were the source of his information.

In Halton, the average residential tax went up by 15 percent in Esqueping and only one percent in Georgetown over the past three years. Why?

"There are municipal services which rural residents do receive and should pay for, in taxes—and yet, until the advent of restructured government, they paid little or nothing for them," justified

McKeough, in reference to recreational facilities, police protection and other services mainly subsidized by the town, yet available for people throughout the township.

McKeough pointed out that

it is to the benefit of rural property owners if the nearby urban centre is well-managed and well-planned, because the value of their land, consequently, increases.

"One basic aim of restructured government," explained McKeough, "is to enable neighbouring urban and rural communities to share both the benefits and the cost of community resources in an equitable manner."

Georgetown's residential taxpayers still paid about \$100, more in taxes than their counterparts in Esqueping last year, added McKeough.

As a result of increased township taxes, regional municipalities had more money in their coffers. Collectively, Ontario's re-organized governments spent 150 percent more money in

Cont'd page 18.