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Halton Hills' Industry '80 is sorely needed

Whether or not Halton's Conservative MP, Otto Jelinek, will be among the dignitaries expected to officially open Industry '80 May 15, it is somehow fitting that businesses from his riding will participate in the area's first major trade show.

Prior to his initial Halton victory in May, 1979, Mr. Jelinek verbally swung a big stick on behalf of Canada's small businessmen, whose interests he then hoped to represent as the nation's first minister of small business.

The Clark administration failed to follow up on the Halton member's ambition to further extend the scope of business affairs from the provincial to the federal level, and there appear to be neither advocates nor takers for such a post in the revived Liberal regime.

Now, at least, one of the few Tory strongholds in the area is to become the site of a promising, self-promotion scheme being organized by the Georgetown Rotary Club, with help from Acton and Milton Rotarians in Halton riding. (It seems that Ottawa's only involvement in the trade fair May 15 through 17 will involve ribbon-cutting).

There are fine lines separating the retail businesses Mr. Jelinek was fond of discussing as would-be minister, from the local service, manufacturing and trade industries to be represented at Industry '80. Similarly, there must be fine lines dividing the efforts of Ontario's ministry of industry and tourism and those of its ministry of consumer and commercial affairs.

In the final analysis, the enthusiasm we share with local Rotarians over this rather unique, quite timely and vastly important self-help trade fair is dampened somewhat by the apparent lack of provincial-federal support for such promotional endeavors.

Halton region's efforts to encourage industrial investments

in this area through its business development office have been well-documented, as have the town's, whose officials regularly go on record expressing their concern over the situation.

With well-served and better-located Peel region acting as a magnet for new industry in search of a home, Halton politicians and civic leaders have long been hard-pressed to offset the badly-imbalanced ratio of residential to industrial assessments which see homeowners paying far more in annual taxes than they should be.

Municipal efforts to do so have produced some results, but certainly not enough, despite the optimism often cited by official spokesmen. Without the back-up support of the province in particular and the federal government to a lesser extent, the municipal struggle will continue as each community is ultimately left to promote itself.

Industry '80, to be held at Gordon Alcott Arena strikes us as the single most valuable promotional tool yet devised in this region, the business development office notwithstanding. Rotarians deserve the community's appreciation and credit for attempting to get the ball rolling for what will hopefully become an annual event.

One unidentified participant who plans to man one of the 96 exhibition booths at the trade fair predicts that visitors will be astounded at the variety and uniqueness of some of the products and production techniques on display. The indication is that Halton Hills has much to offer in terms of productivity and technology.

Clearly, the potential is there; despite the failures of Ottawa and Queen's Park, local businessmen themselves, like the Rotary Clubs, appear capable of making the outside world aware of that potential.



Floating interest rate gives Grits a reprieve

Ottawa Report
By Stewart MacLeod

Ottawa Bureau of The Herald

Without knowing anything about the economic spin-off from the Bank of Canada's decision to let interest rates float, it would appear to be a rather astute political move. And it would be fascinating to know how the idea was conceived.

The move was announced by Bank of Canada Governor Gerald Bouey, who said the floating rate "would give the Bank additional flexibility in avoiding any greater increase in short-term interest rates than is consistent with the containment of inflation."

If it was Mr. Bouey's idea, it would be interesting to know whether he had offered similar advice while the Conservatives were in office and were being buffeted politically for allowing interest rates to rise to 14 per cent. Or did the idea spring from the politically fertile mind of Finance Minister Allan MacEachen, who would remember how a previous Liberal administration let interest rates float back in 1956 after an embarrassing series of increases? At that time the rate floated for six years - and

subsequent studies indicated that it rose just as rapidly under this system as under the traditional fixed method.

It will no doubt happen this time, too. But it is a clever move to take the heat off the government.

GOVERNMENT BLAMED
Normally, interest rates are set by the central bank, which has traditionally kept them higher than rates in the United States to encourage foreign investment into this country. This helps prop up our dollar.

The government, naturally, takes the blame for all the increases.

When the prime lending rate in the U.S. last week rose to 17 3/4 per cent - which was 2 3/4 per cent above the Canadian prime rate - it was assumed that we were in for another big increase. While oil exploration activity kept investments flowing into Canada, thus supporting the Canadian dollar, economists felt it was only a matter of time before this surge abated and interest rates would rise again. This would naturally be embarrassing for the new Liberal government, whose members were so vocal in attacking the soaring interest rates under the former Tory regime.

The Tory MPs, incidentally, had also been quick to criticize the high interest rates under the previous Grit government.

That's the way things are in politics. By letting the rates float, the Bank of Canada and the government are getting out of the direct line of fire, while still maintaining effective control of increases and, more unlikely, decreases. As is the

case with the floating dollar, the finance minister will be able to deflect the political heat by claiming the rates are being set by the market forces.

CLEVER MOVE
Former Tory Treasury Board President Sinclair Stevens calls the move a "clever manoeuvre," without revealing whether the idea had ever crossed his mind. But like most economists, Mr. Stevens says interest rates will rise just as rapidly under the new system.

What the bank has done is set its prime interest rate at 1/4 a percentage point above the interest yield offered each week on the 91-day Treasury Bills. These bills are promissory notes issued to raise short-term money. Since the interest rates vary weekly, the prime rates will rise and fall accordingly. Had the new system been in effect last week, the central bank's prime lending rate would have been slightly lower - 13.93 per cent, instead of 14 per cent.

But few economists expect this to continue. The fact is, the Bank of Canada can control the interest yield on Treasury Bills simply by the number it buys in any particular week. And since no one is questioning our traditional approach of staying in lock-step with U.S. rates, it seems safe to assume that we're in for some hefty increases.

I can already hear Mr. MacEachen, who is a wily politician, counter-attacking the Tories in Parliament for allegedly leaving the Liberals with a financial mess which must be cleaned up through the free-market system. As Mr. Stevens acknowledged, it is a clever manoeuvre.

Queen's Park
By Derek Nelson

Ottawa Bureau of The Herald

One can only be depressed by the approach taken by Premier William Davis in his recent anti-inflation speech to the Rotary Club here.

One has the image of him wearing a parachute labelled government as he bails out of a soaring skyward rocket called inflation.

For what Davis does in his speech is divorce government fiscal and monetary policy from responsibility for inflation.

Davis has seen the real enemy, and - surprise, surprise - it is us.

"We must try to restrain ourselves in terms of income and price increases," he suggested, perhaps by raising us going so far as to accept pay raises less than the rate of inflation.

Davis is in effect saying the wage-price spiral is a cause rather than a result of inflation.

And it is understandable that Davis, as a politician, wants a solution to inflation that hurts no one, or at least hides and diffuses the pain.

END RESULT
The logical conclusion to his call for "restraint" is wage and price controls, but he carefully avoided going that far, speaking only of "targets" that should be aimed at.

Still, the truly worrisome aspect of Davis' speech was its abdication of government's responsibility for inflation, which he called a "simplistic and obsolete" doctrine.

This, of course, is straw man politics, since no one suggests that government alone is responsible for inflation, a portion, obviously, being imported in the shape of higher oil, food and materials prices.

He goes further and joins the growing chorus of critics who oppose a widely misunderstood economic theory called "monetarism."

POLITE EXCUSE
"A continued winding down of monetary growth will continue to depress real output and job creation while letting inflation continue at its current rate of nearly 10 per cent.

"Gradual monetarism" is a "polite excuse for high interest rates," he said. But in fact monetarism is about the supply of money - not the cost - and there is no indication that Ottawa is "printing" dollars any slower than it ever has in the past.

Monetarism holds that the rate at which the supply of money (cash plus credit) expands is roughly equivalent to the rate of inflation. A reduction in the growth of the money supply will thereby slow inflation.

Governments that believe in monetarism, such as Germany and Chile, have been more successful at containing inflation than those that don't, and in the case of Chile at least without hampering economic growth.

NO CHANGE
Still, the monetarists may not have the correct solutions. And it is even likely that Davis' wage-price spiral fears ("inflationary expectations") do play a role in Canada's growing inflation.

But before monetarism is hung it

should receive a fair trial, and that it has not had in this country.

Pious calls for restraint by employers and employees (but not, interestingly, government) is no solution, if for no other reason that people have heard it all before from politicians.

No one believes stopping inflation can be painless, which means no one believes governments will ever have the courage to do anything about it. Too many vested interests would get sore.

Halton's History

From our files

THIRTY YEARS AGO-At the request of Georgetown Recreation Commission, a special meeting was held on Monday between officials of that organization and the finance committee of council. The GRC, which received a grant from the town of \$400 last year, had asked for \$1,700 this year, but when the tax rate was struck last week, the grant was kept at \$400.

Spring? By the calendar, and by the robins, song sparrows and other birds returning, yes, but by the look of the ground with all the snow about, definitely no. However, this week's average temperatures are four degrees above the maximum and six degrees above the minimum for the month's normal average.

Over 600 spectators were at the arena on Thursday for GRC hockey night, which marked the close of the season for the five minor leagues operated by the GRC. It was a full evening of sport as five games were played to decide winners.

TWENTY YEARS AGO-Adequate police protection and justice administration will only be maintained in Halton when a county-wide police force is established," Magistrate Kenneth M. Langdon said in an interview with the Oakville Journal last week. Magistrate Langdon advocated a county-wide force that would be serviced from a central radio communications system, police facilities, detention cells and a property courtroom.

RECREATION LAKE
A dam which would create a recreation lake in the Hungry Hollow part of Georgetown does not seem to be in the immediate future unless the town finds a fairy godmother. Reporting to council recently on the various activities of the Credit Valley Conservation Authority, Alex MacLaren said the \$1 million dam would be a major financial responsibility of the town which would benefit most from its creation.

Georgetown and District hospital campaign has reached the three-quarter mark in its appeal for \$250,000 from private donations for the planned million-dollar structure. Latest figures show that over \$175,000 has been subscribed in cash and resident pledges. The residential canvass is particularly noteworthy. With an objective of \$10,000, a report on Monday night showed \$22,005, with some reports still to come in.

The Go-Karts may not go in Esquesing Township after all. The would-be commercial race track owner has decided to go elsewhere, and the North Halton Go-Kart Club is running into difficulties. A petition signed by almost every resident of the area was read to Esquesing Council on Monday night. Most of the 10th Line residents objected strenuously to the permitting of Go-Kart racing.

Erection of a 12-alley bowling club on Mountainview Road is being planned. Purchase arrangements for a property adjoining the new Carretal Building are expected to be completed today by Messrs. Radek and Williams, who are buying 135 feet of frontage and expect to start construction immediately, with prospect of a September opening.

TAX REDUCTION
TEN YEARS AGO-Georgetown homeowners may find 1970 is the year of the tax reduction. Halton County Board of education announced last Thursday that the average education mill rate for county municipalities will be down 4.73, despite a current operating budget of \$35,981,543 - up \$4,330,182 over 1969. Georgetown's education rate will drop by 5.89 mills.

Halton County Council on Tuesday unanimously called on the Minister of Municipal Affairs, Darcy McKeough, to establish a regional government in Halton alone on a restructured five-municipality basis. The Halton alone idea was endorsed, but a resolution from deputy-revees Ted Tyler of Acton and R. Agnew of Nassagaweya, setting out the boundaries of Acton, Esquesing and Nassagaweya as one unit ran into defeat.

Barb Brotherton of Limehouse will be one of the two belles in a Bellanca, racing for top honors in this year's "Angel Derby", an air race open only to flying females. The Angel Derby will run from Toronto to Nassau this year.

A drive-in theatre in the Ashgrove area was the latest of many recreational proposals for Esquesing Township heard by council Monday night. A letter from Theatre Holdings Ltd. informed council they have taken an option on 100 acres on Lot 11, Concession 7, and intend to build a drive-in theatre. The option is subject to all the necessary approvals being given.

DOESN'T PAY
Two Georgetown men last week learned the hard way that it doesn't pay to swear at a police cadet. They were both fined \$25 when they appeared before Judge Robert Graham in county court. The pair pleaded not guilty to the charge of creating a disturbance by swearing at Georgetown Police Cadet Brian Farrell. The incident arose when Cadet Farrell observed one of the two walk through a red light downtown and advised him he would be charged with the offence. Farrell was subjected to obscenities by the pair while women and children were standing on the street taking it in.

ONE YEAR AGO-Having estimated the total cost of demolishing Acton's old town hall, as well as related work on the sites, at approximately \$41,000, the town's general committee is awaiting a final recommendation from the citizens' restoration committee as to the building's future. Representatives of the Save the Town Hall Committee, which has so far solicited more than \$11,000 in support pledges from Acton residents are expected to present their final report on a feasibility study to the general committee some time next month.

TRAFFIC TICKET
Halton Regional Police are issuing a form of traffic ticket to bicyclists and pedestrians under the age of 18 who are observed committing a traffic violation. The tickets are issued to draw parents' attention to the fact that their children are not following safety practices when riding their bicycles or walking along the street.

Support the Red Cross with financial donations

When your child finally mastered the skill of floating in the water, Red Cross was there.

When your shut-in neighbor received a hotel meal and a friendly visit, Red Cross was there, too.

And when that blood transfusion was the only thing between your colleague and death - Red Cross came through with the right blood type.

Red Cross volunteers work quietly in this community providing a wide

range of services relating to health and education.

But because there are so many services, and they're delivered so quietly we shouldn't take Red Cross for granted.

So remember, support your Red Cross. The Red Cross asks for your financial help only once a year, but it's there when you need it every day of the year.

Monogamous swans are relatively secure

By RON REID

In the marshlands of southern Ontario, the leading edge of spring is heralded by the arrival of our most magnificent species of waterfowl - the whistling swan. As the ice retreats northwards, these gigantic white swans, often weighing more than fifteen pounds, soon follow. By late March they are well within Ontario; by mid-May, they have reached their traditional nesting grounds high in the Arctic.

Whistling swans are sometimes confused with the semi-domesticated mute swans, which are commonly introduced into urban parks. Whistling swans are slightly smaller, with necks that are almost straight rather than curved, and without the conspicuous black knob at the base of the bill of a mute swan. We normally see whistling swans only in the early spring during migration.

Swan-watching is always a bit-and-miss kind of activity, since their move can't be predicted with precision. But two areas of southwestern Ontario are especially attractive to migrating swans, and each spring thousands of visitors flock

to see the swans. At Long Point, south of Port Rowan, a welcoming committee of naturalists and wildlife experts sets up information displays on March weekends, and helps you find and identify swans and other waterfowl. The fast-disappearing marshes of Lake St. Clair still attract thousands of swans each spring, and the surrounding area often reveals small groups feeding in the fields.

Like Canada geese, whistling swans take their mates for life, which may span ten or more years. The well-known British wildfowler Sir Peter Scott has studied hundreds of pairs of the closely-related Bewick swans, without revealing a single case of "divorce." If a swan is killed, it may take up to three years before its mate forms another pair. This remarkable stability in relationships may be related to the short breeding season in the north, where all a swan's energies have to be directed towards nesting rather than squabbling over mates.

Fortunately, these remarkable birds are protected by law, and the opportunity for future generations to thrill at their sight appears relatively secure.

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