

# Slowdown is predictable

By VIC PARSONS  
Thomson News Service

Year after year of healthy economic growth is something that all Canadians could easily get used to.

And no one wants to be a spoilsport, but the reality is the current growth cycle is slowing down.

Last year was the sixth in a string of boom years that brought the country out of the gloomy recession of the yearly 1980s. In terms of superlatives, the current expansion is the second-longest period of growth since the Second World War. You'll recall the recession was the worst since the Great Depression of the '30s.

During the last six years, Canada's economy grew by a remarkably healthy annual average of four per cent. That

ranked us with Japan as one of the industrial world's most vibrant economies.

Investment soared, unemployment fell, inflation was fairly flat, interest rates declined, confident consumers spent and manufacturing boomed. True, parts of the country lagged behind, but, overall, the picture was one of growth.

The slowdown expected this year and next is a predictable one that has little to do with free trade. Economists, consulting the crystal ball, charts of the stars and other mystic paraphernalia, foresaw a downturn no matter what voters decided last Nov. 21.

In fact, it's still too early to say with precision what impact the deal is going to have in the short term, in spite of the "mini-shakeout" occurring as businesses adjust to the new realities of free trade with the US.

### EXPERTS SURPRISED

The economy is surprising ex-

perts with its resiliency in recent months. Indeed, forecasts of growth in 1989 have been revised upward.

Many pundits suggest that, instead of a freefall into recession - often defined as two or more consecutive quarters of declining production - Canada will go through a period of slower, but still positive, growth before emerging refreshed and rarin' to go again.

What are some of the factors involved?

Consumer spending, which accounts for more than half of economic growth, is expected to have ups and downs this year. On the plus side, bigger tax refunds arising from last summer's tax-reform changes will put more money in consumer pockets in the first half of 1989.

That probably means a surge in consumer spending in the first half of the year, although the highest interest rates in three years will likely discourage costly purchases

bought on time. In the second six months, economists don't count on consumers to provide much impetus for growth.

Government spending is expected to be restrained. Huge deficits and high interest rates will dampen the enthusiasm of politicians. The federal government, for instance, will want to do all it can to reduce its annual shortfall between revenue and spending of close to \$30 billion.

### INFLATION DAMPENED

Moreover, the Bank of Canada will continue its policy of holding down inflation through high interest rates. The cost of living is expected to rise both this year and in 1990 by levels approaching five per cent. This is far below inflation levels of the 1970s and early '80s but John Crow, the central bank's governor, is taking no chances.

Throughout last year, business investment was a healthy component of economic growth. It will continue to play a major role this

year. Many companies are getting themselves in shape for the increased competition free trade will bring. Others have been reacting to healthy consumer demand.

Manufacturers have been engaged in a keep-fit program in recent years, and Laurent Thibault, president of the Canadian Manufacturers' Association, says they are well positioned to cope with a slowdown.

Carmakers, who have had six good years, say they expect 1989 to be a "neutral" year and not one of decline. "It won't be a disaster," says economist Gilles Rheaume of the Conference Board. A strong car industry, of course, is good news for steel, rubber and plastics industries.

In other sectors, the recent firming of oil prices - albeit at relatively low levels - is a good sign for energy investment. And, in the agricultural sector, there's hope the severe drought of last year won't be repeated.



**ROYAL CITY**  
REALTY (HALTON) LIMITED  
DEMAND THE BEST



**MARVYN MORGAN**  
Res. 873-2862

853-2074

## EDUCATION IN 1860

The Village of Acton was included in School Section 12 under teacher W.F. Adams in 1860. Scholars in this section, of which 167 were on the roll, attended the frame building which had served as the school house since 1848. Plans were afoot however to build a new one. Luckily for Mr. Adams, there was a little chance that all the scholars would show up on the same day.

School Section 8, Dublin was just south of Acton. Teacher Robert Coates instructed his classes in a school house dating from 1854. He had 114 pupils on the roll. To the east of Acton (4th Line and Hwy. 7) was S.S. 13, Bannockburn. Alex Campbell, with 100 scholars on the roll, had the newest facility, erected in 1858.

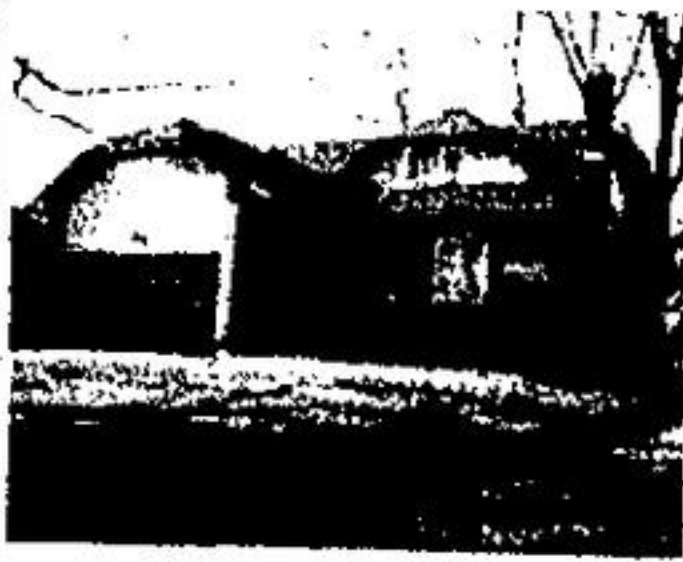
\*\*\*\*\*  
Many thanks to Mark Rowe, President of Esquesing Historical Society, who wrote this article.

**\$389,900**  
**BRAMPTON**  
**COUNTRY ACRE**



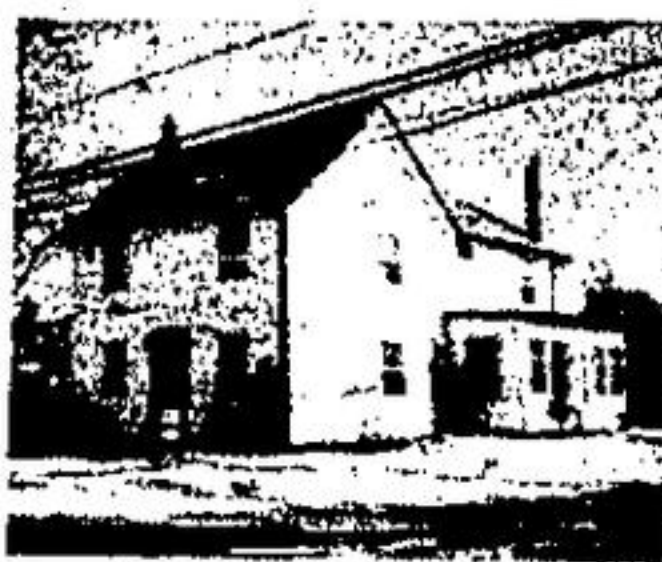
Gorgeous raised bungalow, with set-in kitchen that has walkout to deck, 3 bedrooms upstairs, 2 bedrooms downstairs, master bedroom has ensuite. Recreation room features oak bar plus fireplace. A must to see! Call Marvyn Morgan, Sales Rep. at 450-9344.

**OPEN HOUSE**  
Saturday & Sunday  
2:00-4:00 p.m.  
**32 ANN STREET**  
**GEORGETOWN**  
**\$269,900**



Take No. 7 Hwy. to Ontario Street, to Ann Street. Watch for the signs or call Marvyn Morgan, Sales Rep. at 450-9344 or 853-2074.

**NEW!!**  
**ROCKWOOD WITH**  
**IN-LAW SUITE**



**\$229,000**

Buy you a renovated 4 bedroom home on a 66' x 132' lot with barn. Live side-by-side with your in-laws or easily convert to a one family home. Call Marvyn Morgan, Sales Rep. at (519) 853-2074.

**SOLD - 9 HENRY STREET, GEORGETOWN**

**MARKET EVALUATIONS GIVEN WITHOUT COST OR OBLIGATION**  
★ MEMBER OF BOTH BRAMPTON AND OAKVILLE BOARDS ★

**CALL MARVYN MORGAN FOR YOUR MOVE THIS YEAR!**  
**DILIGENT SERVICE AND COMPREHENSIVE MARKET PLAN**  
450-9344 853-2074



**ROYAL CITY**  
REALTY LIMITED  
DEMAND THE BEST



**BARBARA GLENN**  
Milton - 876-1156  
Res.: 1-519-853-0923



**ALEX GLENN**  
Georgetown - 877-5296  
Res.: 1-519-853-0923

**We work together for you**  
**Halton Hills**  
**- Milton Areas**

For appointment call Alex Glenn or Barbara Glenn  
Royal City Realty - 848-0800



**\$131,000**  
**ACTON "STARTER" OR "RETIREMENT"**  
This little gem offers you 2 bedrooms, living and dining rooms and new kitchen, new 4 pc. bath, new efficient furnace, central air, new electric service, new windows, walkout to patio, paved drive and 131' deep lot. Call now and ask for Alex or Barbara Glenn to arrange your inspection - 877-5296 or (519) 853-0923. 8323



**GEORGETOWN**  
**START 1989 RIGHT**  
Home ownership is a good way to do that and this 3 bedroom bungalow offers you "more" with the finished 2 bedroom in-law suite, professionally finished. Check it out today! Asking \$210,000. Call Alex or Barbara Glenn 877-5296 or (519) 853-0923. 8308



**Rockwood 3 Plex**  
**\$189,000**  
**Main Street location**

8313



**NEWLY UPGRADED**  
**ACTON AREA**  
3 bedrooms, main floor family room, centrally located in town with a touch of country as a stream runs through the backyard. For info call Alex or Barbara Glenn at 877-5296 or (519) 853-0923. 8287

## BROOKVILLE ESTATES OFFERS THIS \$499,000

Traditional Cape Cod executive home built with quality throughout assures you and your family the finest living today, along with the feature of entertaining guests and friends. This prestigious property on 2 acres awaits your inspection. Call Alex or Barbara Glenn at 877-5296 or 853-0923.

8275 & M225



**Above**  
**the**  
**Crowd!**

This certificate entitles you to a professionally accurate estimate of the market value of your home by Jim Akers

**RE/MAX SUBURBAN**  
**REALTY INC., REALTOR**

380 Guelph Street  
Georgetown, Ontario L7G 4B6  
bus: (416) 877-5211  
toronto line: 457-1752

**CONTACT JIM AKERS TO ARRANGE AN APPOINTMENT**

It is not our intention to solicit listings from other real estate brokers. Please disregard this offer if your home is currently listed.



**Jim Akers**  
associate broker  
RES: 877-7551  
Pager 1-552-7298