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## 'Buyer beware' when investing



**Diane Maley**  
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Thomson News Service

At some point in your life, you may need help managing your money. As you grow older and richer, your savings will pile up. You will wonder whether you should go to see a financial planner or hire an investment counsellor.

But will you be able to judge the quality of the advice for which you will be paying so dearly? Will you know whether this insurance policy is better than that one, or whether your broker is selling you the policy that pays him the highest commission?

When it comes to investing, let the buyer beware, says Tom Delaney, an outspoken spokesman for the Consumers' Association of Canada and head of his own investment advisory firm, Tom Delaney Inc. in Toronto.

First of all, you should seek independent advice, rather than relying on bankers and stockbrokers, who have a product to sell. Second, you must educate yourself, Mr. Delaney believes.

"However much you pay for independent financial advice, in order to execute it, you have to go out into the financial-services marketplace and deal with salespeople whose interest is not necessarily the same as yours," he notes. "Some products pay a much larger commission."

### FUTURE AT RISK

Failure to educate yourself to the point where you understand investments "may mean that your financial security in retirement is at risk," Mr. Delaney cautions. "A lot of people are going to fall between the cracks."

Learning about financial services will be increasingly important in the years ahead, he says. "We are looking at an exponential increase in the volume of money in

registered retirement savings plans."

By 1995, people will be able to invest \$15,500 a year in RRSPs, he notes. More than 45 per cent of taxpayers already contribute to RRSPs. "As we go into the 21st Century, individuals will have to make decisions about hundreds of thousands, even millions, of dollars accumulated in savings plans," he says.

"It is the responsibility of every individual" to know how to manage his plan. "It is a responsibility pushed on him whether he likes it or not."

Mr. Delaney did not make recommendations, but I have a few suggestions.

### SIMPLE GUIDES

1. Take the time to read the financial press. In particular, check periodic ratings of mutual funds prepared by the weekly Financial Post or The Financial Times of Canada. Choose funds for their long-term performance, in good markets and bad.

2. No matter how scary the stock market may seem, if you have a long way to go before you retire, invest a portion of your savings in a stock mutual fund. Funds managed by the Mackenzie Financial Group, for example, have a good, long-term track record.

3. Hire an accountant to prepare your income tax and advise you of tax-saving strategies in advance. If you do not have an RRSP, open one this year. Deductions not used can be carried forward into the future.

4. Stay away from fancy investments unless you have money to lose. You'd be surprised how many people hand over their money to uncertain propositions just so they can write off the loss. It's like throwing money away.

5. Take a long, hard look at education savings plans - most of them are not as good as they seem. If you want to save for your children's education, invest your monthly family allowance cheque in shares of a mutual fund at your local bank. And, where possible, take advantage of federal and provincial loans and grants to finance college or university education. If inflation comes bouncing back, you or your children can pay the money back later in depreciated dollars.

## SNAFU® by Bruce Beattie



"You didn't know I'm deducting the cost of your retirement party from your last paycheck?!"

## No stars in NDP Leadership race



**Stewart MacLeod**  
Ottawa  
Thomson News Service

By golly, it was exciting to pick up a major newspaper and see that one of the New Democratic Party's leadership hopefuls was actually criticizing another candidate for the job.

We know this must have been going on in the country's kitchens, and perhaps the odd church basement, but, in national terms, it hasn't been easy to learn what the candidates think of each other.

In fact, it hasn't been easy to learn what they think of anything - except, perhaps that Dave Barrett has no immediate plans to move to Quebec. It wouldn't be stretching things to say that none of the seven candidates for Ed Broadbent's job has become a television star during the course of this campaign, now only two weeks from climaxing.

If any details about the NDP leadership race make it to the national news, it's usually after some minor train derailment. Not a bit like the 1983 showdown between Joe Clark and Brian Mulroney nor, do we suspect, like the forthcoming battle between Jean Chretien and Paul Martin Jr.

It seems that leadership contests of a third party, when no established stars are involved, just doesn't set the country fluttering. Perhaps things would have been different had someone like Stephen Lewis agreed to take a run at the job.

In any event, nearly 3,000 card-carrying New Democrats will begin converging on Winnipeg Nov. 29 to select the party's fourth leader since its founding in 1961. And while the race hasn't been grabbing headlines, there is no question that the foot soldiers have

been at work.

It seems to be a foregone conclusion that Yukon MP Audrey McLaughlin now has more committed support than any other candidate. Even most of her opponents acknowledge this. And it's also generally believed that Mr. Barrett, former premier of British Columbia, holds a solid grip on second place.

Everybody else, of course, claims to be in third place - a rather popular spot ever since Joe Clark launched himself from that position in 1976 to sneak up between Claude Wagner and Brian Mulroney. The thinking is that third-place finishers, on the first ballot, have more growth potential than the two front-runners, who have been knocking heads, collecting enemies as well as friends.

But since there has been so little apparent head-knocking in this campaign, the theory might not apply to the NDP in 1989.

Still, there are two weeks to go, and it was heartening to read that candidate Steven Langdon came out swinging - against both Ms. McLaughlin and Mr. Barrett. Saying that the Yukon MP has supported Quebec's Bill 101 - the original language law - a victory for her "would be to turn our backs on our commitment to minority language rights."

As for Mr. Barrett, he wants to shelve constitutional change for 25 years and "that would, without doubt, guarantee the breakup of our country."

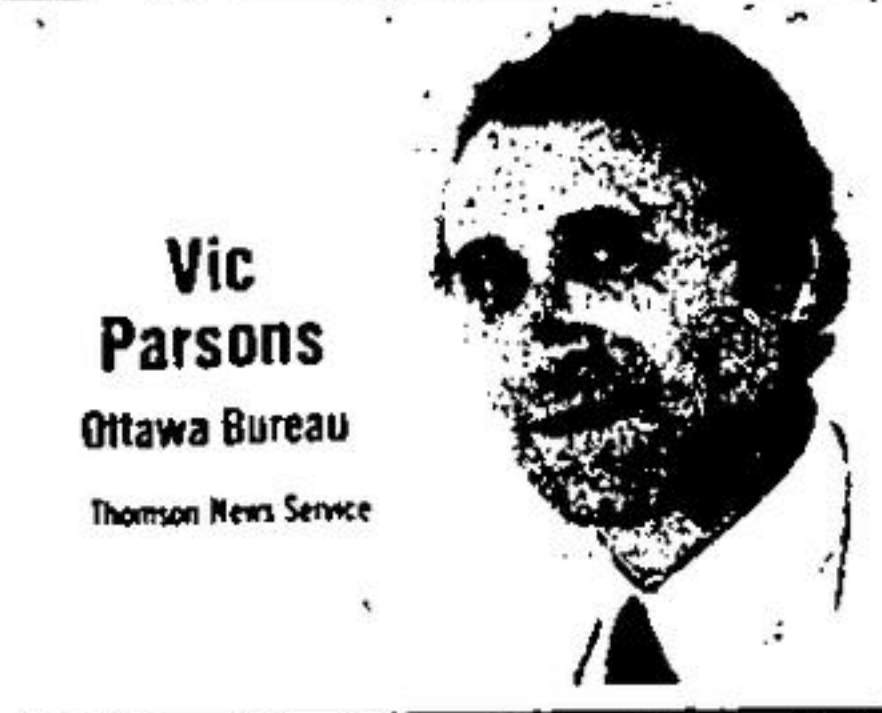
Naturally, Mr. Langdon feels he will come in third. But then, so do fellow MPs Howard McCurdy, Simon de Jong and Ian Waddell.

Perhaps it's time they all began snarling at each other to attract national attention.

Whoever wins, will be heading a party with a far greater western orientation than we've seen up until now. For starters, three-quarters of the federal caucus are westerners, and there has been much greater interest in the West in the leadership race than elsewhere.

Bilingualism is a relatively scarce commodity among candidates.

## Bureaucrats wield an axe to trim budget



**Vic Parsons**  
Ottawa Bureau  
Thomson News Service

"Penny wise and pound foolish" is an ancient adage that, often seems appropriate in the case of governments.

In Ottawa's wide-ranging hunt for spending cuts, bureaucrats wield the axe rather than the scalpel when they seek to trim the cost of government. An unfortunate result is that good programs can fall victim along with the bad.

A case in point is the 11-year-old Canadian Centre for Occupational Health and Safety.

It's curious, in this age of concern about environmental and personal well-being, that the Hamilton, Ont., based centre should be singled out for attack. Supporters from business, labor and the health-care field all credit the centre with providing invaluable, unbiased information - free or at low cost - that has helped reduce Canada's appalling rate of industrial accidents and disease.

What burden did the centre place on Canadian taxpayers? Last year, Ottawa provided \$9.4 million, a pittance beside the total \$120 billion the government spent.

Then, last April, the government announced it would slash the centre's funding to \$8.3 million for this fiscal year, down to \$5.1 million next year, and to zero the year after. The centre should thereafter be self-supporting, the bureaucrats decided. User pays and sale of services are to be the new watchwords.

### DISMAL PICTURE

How does the cost of the centre fit into the overall occupational health and safety picture?

In 1987, estimates from workers' compensation boards across Canada showed the direct cost of compensable injuries and death in the workplace totalled \$3.54 billion. The federal Labor Department says direct and indirect losses to the economy through occupational injury and death total about \$14 billion a year.

In the last decade, 10,000 Canadian workers have died on the job. Among five major industrial countries - the others being the United States, Britain, West Germany and Japan - Canada has the worst rate of occupational death.

Yet, says Liberal MP Robert Nault of Kenora-Rainy River, since the centre opened, the country's accident rate has improved to one mishap for every 10 workers from one in eight.

Last year, the centre served 1,200 organizations, sent out 8,000 compact disks with useful occupational health data, answered 26,000 inquiries, distributed 150,000 publications and had revenues from sales of \$441,000.

Those who back the government's action pay lip-service to the centre.

But they suggest funding can be raised from other sources - donations, sale of products and services, begging funds from provincial governments or negotiating loans.

## Berry's World



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