

# Real family income hasn't changed in last 10 years

People who feel they are no richer now than they were back in 1980 are right. Real family income has stayed pretty much the same: \$37,351 in 1988, compared with \$37,449 in 1980. The 1980 figure has been adjusted for inflation.

The numbers are a Canada-wide average for two-parent, one-earner families.

Two-earner families fared better last year, pulling in \$51,780. The national average for all families was \$46,185.

More telling than the averages, though, is the breakdown of who earned what. Families headed by university graduates brought in an average \$67,071 last year. That's just one of many powerful arguments in favor of higher education.

Yet, only four out of 10 families earning more than \$75,000 were headed by university graduates - an equally powerful argument for the entrepreneur, if, indeed, such big earnings came from business. They may also have come in large part from investment.

### WHAT IT MEANS

The implications for the economy are serious. We have made no gains in our standard of living in almost a decade. No gains are in sight over the next year or so, given the slowing economy. No wonder unions have begun to bargain in earnest for more money.

People who live in areas where real estate prices have leaped recently are facing the best of times and the worst of times; the best if they bought a house years ago and the worst if they bought one recently, or have yet to do so.

For house prices have not stood still along with real income. If Christmas sales are slow in southern Ontario this year, it will be because people do not have any money left to spend after paying their mortgage or their rent.

Given the great preponderance of two-family earners, and people with more than one job, people may not have time to go shopping.

Average earnings varied from province to province. Ontario families earned \$52,764 last year, well above the national average of \$46,185. Albertans earned \$46,283.



**Diane Maley**  
Your Business  
Thomson News Service

Families in British Columbia earned \$45,264; Manitoba, \$43,121; Quebec, \$41,328; Saskatchewan, \$40,357; Nova Scotia, \$39,671; New Brunswick, \$37,308; Newfoundland, \$36,076 and Prince Edward Island, \$34,535.

### LIMITS TO GROWTH

No growth in family income could translate into a no-growth economy. That is not necessarily a bad thing, at least theoretically. Say, for example, the big dislocation in real estate prices had not taken place. Say we were no worse off than we were in 1980, on average. Few people would complain.

But this is not what has happened. Instead, thousands of Canadians have suffered a real drop in their standard of living with respect to housing, with no expectation of future relief. Sooner or later, this will spell big trouble for the government.

For the next few years, we will be facing higher unemployment, stubbornly high interest rates and possible price deflation. Falling

prices could spell trouble for businesses and lenders. The ups and downs of the business cycle will do their damage.

Surely it's about time policy-makers began thinking seriously about how to achieve a more stable economy. I'm not advocating central planning, but people should not have to worry about losing their homes and their means of support, the way they did in the last recession. The devastation was particularly great in Alberta.

We could accept no growth in real income if costs would hold steady, too.



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## Business Page

### Town will accept VISA for rentals.

Halton Hills recreation and parks department will slip into the plastic age this month as it begins accepting VISA for sports rental payments.

Participants can use those VISA cards, still warm from Christmas shopping, for rentals of arena space, tennis courts, halls, meeting rooms, pools, parks, schools, community centres and the Halton Hills Cultural Centre, beginning in 1990.

Those wanting more information on what plastic can buy can call the town's recreation and parks department at 873-2600.

### January is popular time to stop smoking

January is the most popular time of the year to quit smoking, so why not join the majority of Canadians and start the new decade as a non-smoker, the Halton Lung Association says.

The Lung Association is offering programs in Burlington starting on January 16, in Oakville starting January 15, and in Milton on January 30. Each course is a five-week, seven sessions, tapering-down program and costs \$95.

For further information call The Lung Association at 632-8499.



### Clean Up Your Act Pitch-In



Ministry of Revenue

Remo Mancini  
Minister

Ontario

### EMPLOYER HEALTH TAX

Effective January, 1990, the new

## EMPLOYER HEALTH TAX (EHT).

replaces Ontario Health Insurance Plan (OHIP) premiums.

All employers with permanent establishments in Ontario will be required to pay the tax through monthly or quarterly instalments based on total calendar year gross payroll.

### THE ONTARIO MINISTRY OF REVENUE

which is responsible for administering this new tax, mailed **INFORMATION KITS** to Ontario employers in November, 1989.

If you are an employer in Ontario and have not yet received an **INFORMATION KIT**, please call the Ministry, toll-free, at the numbers listed below:

- Metro Toronto 965-8470
- All other areas 1-800-263-7965
- French language enquiries 1-800-668-5821
- Telephone device for the deaf 1-800-263-7776

Pour de plus amples renseignements en français, veuillez appeler sans frais le ministère au 1-800-668-5821.

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