

Editorial

Feds are looking to spread blame

You don't have to look too hard to see that the federal government is going to try to spread the blame over the Goods and Services tax around.

The House of Commons consumer and corporate affairs committee, which Halton-Peel MP Garth Turner chairs, is threatening to subpoena companies that refuse to appear at its public hearings to say whether they will pass savings from abolition of the manufacturers' sales tax on to consumers.

The 13.5 per cent MST will be replaced by the seven per cent goods and services tax.

According to Mr. Turner, about 10 potential witnesses have refused to appear at the hearings.

We don't blame them.

It's not up to them to answer for an unpopular government tax. And if Mr. Turner and the rest of the Tories believe all the savings from the abolition of the MST will be passed on to consumers, they're sadly mistaken. We don't doubt that some prices will go down, but there's plenty of opportunity to use excuses like the potential cost to businesses of collecting the tax, to mask the increased profit margin.

It's one of the negative aspects of the GST the government, and unfortunately the taxpayers, will have to accept.

But a noisy house of commons committee pointing its finger at big business because companies upped their profit margins will help deflect some of the criticism away for the Tories - the same way the government tried to drag the provinces into it by attempting to get them to co-operate with the federal government on the tax.

We hope the Canadian consumers won't be fooled.

From the Publisher

Macaroni, venison & food

Now what does that have to do with the invention of the wheel?

Well, just ask the over 40 students from Centennial School who spent long hours in rehearsal to put on the half-hour shows of "Wheels" at the John Elliott Theatre this past week.

The students, under the direction of Mrs. Johnson and Mrs. Armstrong, both teachers at Centennial, wrote the story line and Paul Brisley and his talented group of musicians and artists put the whole production together to give the audience a fine evening of entertainment.

The students brought us along through time from the introduction of the wheel by Rock the Caveman to the days of Caesar and his Chariots to the old west and the "Iron Horse," complete with Indians, to the days of the automobile and the time of the great inventors Marconi, Edison and Ford.

We end up in the future with spaceships and of course, no wheels.

After all, the wheel by now is ancient history. One of the most entertaining songs of the evening was dedicated to Henry Ford, the man who invented the assembly line for the production of the automobile - "Thank You Henry Ford."

And to the students and Paul Brisley, we thank you for a show well done.

Staff editorial

Leadership election quiet

By BEN DUMMETT

If the lack of hype so evident during the PC North Halton Riding Association leadership vote Saturday at the Acton Curling Club was indicative of the 13 other similar votes held in PC ridings across the province, the critics are right in using the word "boring" to describe the party's leadership election system.

I question whether the president of North Halton Riding, Ian Bourke and I were at the same event last Saturday. While Mr. Bourke agreed the event started off slowly he thought things picked up after the ballots were closed during the late afternoon.

Granted, I wasn't the last to leave the curling club but I did leave well after 3:30 p.m. when the voting was closed, and the event was no more eventful than when it began some three hours earlier.

But if the Conservatives claim to be true to their word, they'll keep the boring system to elect future leaders.

"Grass roots" seems to be the buzz of party members not only among North Halton Conservatives but among Conservatives across the province. Indeed PC leader elect Mike Harris has stressed throughout his leadership campaign the party's resurrection will only come with the support of its grass roots membership.



Garth Turner no publicity slouch

OTTAWA - Garth Turner, MP, is no slouch when it comes to seeking publicity.

Fresh from a triumph of sorts, namely an exhaustive examination of the future of Canada Post, the chairman of the Commons' consumer affairs committee and MP for Halton-Peel has now turned his attention to the possible consequences of the goods and services tax (GST).

One of the more worthwhile activities in your beloved national capital these days is the committee's GST hearings. Tory Turner and crowd have called a wide range of witnesses, who are offering their views on the tax's potential impact on consumers.

These include officials from labor and business, academics, social interest groups, present and past politicians, economists and bureaucrats. And, if any witnesses don't show, tough-talking Turner promises they will be forced to appear.

Cynics might dismiss the hearings as merely a sideshow for the benefit of disgruntled taxpayers. But Turner is a committee chairman in the Don Blenkarn mould - he's not afraid to ask hard questions and to propose ideas not on the government agenda.

This, of course, doesn't mean cabinet will fall over itself to adopt recommendations arising from the committee report, expected early this summer.

NEEDS AIRING

But it's important that there be a full airing of the GST issue from the consumer's viewpoint. That's precisely what the current hearings offer.

Finance Minister Michael Wilson and other GST proponents argue that the adverse impact on consumer wallets will be moderated by lower prices on some products. This will be achieved, they say, by the removal of the existing hidden federal sales tax on manufactured goods.

So, government officials say, while previously untaxed services will cost more, the total inflationary impact of the GST will be a mere 1.25 per cent. And it will be felt only in 1991, the first year of the tax.

Vic Parsons  
Ottawa Bureau  
Thomson News Service



What will guarantee this? Wilson and colleagues believe good, old-fashioned marketplace competition will ensure savings are passed along to consumers. And, just in case a little help is required, Consumer Affairs Minister Pierre Filais is setting up a monitoring agency to point out offenders.

Skeptics abound, however. They say Wilson has underestimated the impact of the GST and is counting too much on businesses to reduce prices.

Turner wants this angle investigated. It may be true that savings will accrue to the final purchaser, he said, "but until we hear it from the lips of business leaders themselves, consumers can be excused for being skeptical."

TOUGH TALKER

When he announced the committee's list of potential witnesses, Turner talked tough. "If there are some businesses out there who think they can end up lining their pockets through this change in the tax system, rather than passing savings along to consumers, they'd better think again."

Some MPs, notably on the opposition side, would like to see a tough watchdog with powers to roll back price increases - something like the Anti-Inflation Board of the mid-1970s. Turner calls that an option.

But, it's unlikely at this stage the government would go for that.

Still, the hard-nosed frame of mind displayed by Turner and companions already seems to be stirring up valuable information for consumers.

Companies such as Ford Canada and Du Pont Canada, which don't like the idea of federal monitors mucking about in their affairs, have announced they'll pass benefits of their lower federal tax

burden on to customers. The Canadian Manufacturers' Association is urging its members to ensure clients receive the presumed GST largesse.

Meanwhile, the governor of the Bank of Canada, John Crow, has threatened to clamp the lid on profiteers by "resisting" unjustified price and wage hikes, presumably by jacking up interest rates.

As the committee hearings proceed over the next few weeks, taxpayers should get some enlightenment on the shape of the post-GST world. We may not like it, but at least it'll be on the record.

Letter to Editor

Concert tribute

Dear Sir:

I am writing to you today to tell you about a wonderful community event in honour of a man who devoted his life to Canadian country music. For more than a quarter of a century, Mr. Hill, together with his wife, Jean, promoted country music at Rock Hill Park near Shelburne, Ontario. They hosted great stars such as Willie Nelson, Barbara Mandrell, Conway Twitty, Hank Now, and Tommy Hunter.

Four years ago, the onset of Alzheimer's Disease forced Mr. Hill to retire and sell his beloved Rock Hill. Now, in tribute to Mr. Hill, performers will come back to Shelburne to stage a gala concert on June 10, 1990. The headline act will be the six-time Juno Award winner, Ms. Carrol Baker, who never forgot the talent contest she once won at Rock Hill.

All proceeds of the concert will go to the Alzheimer Society in Mr. Hill's name to promote the search for the cause and cure of this terrible disease.

In order to make this concert a true success and the tribute Mr. Hill so richly deserves, we need your support in terms of publicity and news coverage. We would appreciate any opportunity you could give us to share this great human interest story with your readers. Please feel free to contact us for further information.

Thanks for your support.

Sincerely,  
Julie Morris  
Alzheimer Society of Peel.