

the HERALD

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Spaces needed

Child care is fast becoming an issue which governments will no longer be able to ignore. The waiting list for child care spaces in Halton Hills shows it is becoming an issue here, too.

Halton's co-ordinator of child care development, Mary Beth Jonz, says there's 88 people on the waiting list for child care spaces now and 56 of these people are in need of immediate access to a child care facility.

Those numbers may not seem outrageously high, but Gillian Burns, the supervisor of Georgetown's Maple Avenue Child Care Centre, says the 60 people on the waiting list at the centre is the most there has ever been on a waiting list at the centre.

And that number is bound to increase once Halton Hills is affected by the growth in the coming years in Georgetown south and Acton.

Child care can be one of the most productive areas for a government, or private enterprise for that matter, to spend its money. Single women who are able to get their children into a child care centre can get off unemployment or welfare and become a productive, taxpaying part of the workforce. That return is far more than the investment in a child care centre.

It also allows families to pursue productive careers, increasing their income and allowing them to improve their standard of living.

There will always be those mothers who refuse to put their children into the care of others. That's fine. But for those who want to choose the other route, the opportunity should be there for them.

In the coming years, with tight budget restrictions in place, politicians will have to keep that in mind.

Skylights!

Brian MacLeod
Editor's Notebook



Bang-O-Rama certainly lived up to its name Monday night. The weekend rain had put a damper on some events at the fairgrounds but Optimists put on a dazzling display of lights over the skies of Georgetown for the weekend finale.

So spectacular was the show that three different times I prepared to pack up my camera believing we had just seen the big finish.

And the huge crowd on hand was appreciative of the show with applause and whistles throughout.

Hats off to the Optimists for giving Georgetown a reason to stay away from Ontario Place and Mississauga's Square One on the Victoria Day weekend.

I can't believe Lucien Bouchard was allowed to resign. He should have been fired a week ago. Two Tory members vote against the Goods and Services Tax a few weeks ago and they're thrown out of the Progressive Conservative caucus and told by Prime Minister Brian Mulroney they'll never run again as Conservatives.

Lucien Bouchard, Canada's environment minister, sends a telegram to the Parti Quebecois clearly showing his continued commitment to breaking up the country and the prime minister simply waits until his friend says he's had

enough.

This is the same person who last month said Canada may have to choose which province, Quebec or Newfoundland, it wants to keep in confederation.

Where is the leadership when it's needed the most?

Our page 1 story in the Halton Hills Herald Outlook noted that Halton Regional Chairman Pete Pomeroy said the Region has yet to decide whether or not it is part of the Greater Toronto Area (GTA) initiative on solid waste disposal. The GTA is a five-Region committee set up to decide how to cope with waste disposal in the Toronto area over the long term.

However, it also has a short term solution to deal with the waste disposal problems in the area. In order for each Region to join the committee, it must put up a "contingency site" for all Regions to use in case of an emergency. Halton was considering naming its new Milton site but it has backed off.

It's been two years since this GTA proposal got off the ground. At the time, Chairman Pomeroy began attending the meetings and declaring that Halton is merely keeping up with going on and is not a fully-fledged participant. Meanwhile, councillors didn't tell the chairman not to go to the meetings. No formal decision on whether or not Halton should join the GTA was ever made.

So, at the request of the citizens group POWER, Halton is finally going to decide whether or not it should participate in the GTA. In June, Halton will hold a public meeting to listen to input on the GTA. Then it will make a decision.

Don't hold your breath. Halton will formalize its partnership in the GTA and it's not far-fetched to say that Toronto's garbage trucks will, at some point, be rolling into its new Milton site.

New tory leader may add spice

Derek Nelson
Queen's Park
Thomson News Service



TORONTO - New Progressive Conservative Leader Mike Harris's debut in the legislature wasn't a thing of beauty.

He was overly wordy - and on television he revealed an irritating habit of bouncing up and down as he talked.

But the good news was he didn't repudiate the issues he had campaigned upon. It could mean interesting debates ahead at Queen's Park.

While Harris's views have received fairly negative media and political coverage, it has usually been in a shorthand manner.

For example, Premier David Peterson told reporters: "He has some views that I don't share: on taxing food, taxing people that are ill and removing protection from renters, taking away tenants' rights."

While that understandably isn't

exactly a fair description of Harris's position, it is true that - for a change - his ideas, if pursued, will make for some light in the smothering political consensus that normally envelops Queen's Park.

Underlying Harris's approach is a belief that there are limits to how much in taxes can be extracted from the middle class without it having negative side-effects on both the economy and social life. In consequence, he advocates targeting government spending to those individuals who need it rather than subsidizing everyone.

Hence, the controversial positions he's adopted that Peterson described (sort of) above.

HOSTILITY

And what are those views that have some commentators and politicians almost foaming at the mouth in hostility?

Item: a tax freeze. Harris wants to restrict increases in government spending by holding it to the rate of inflation. Under the Liberals, spending increases have averaged more than double that each year, which is also why they've required tax increases at twice the rate of even Ottawa.

While Harris hasn't been specific about the details, pegging budget growth alone to the rate of inflation would mean no new taxes as long as economic growth held up. And since he has also promised to

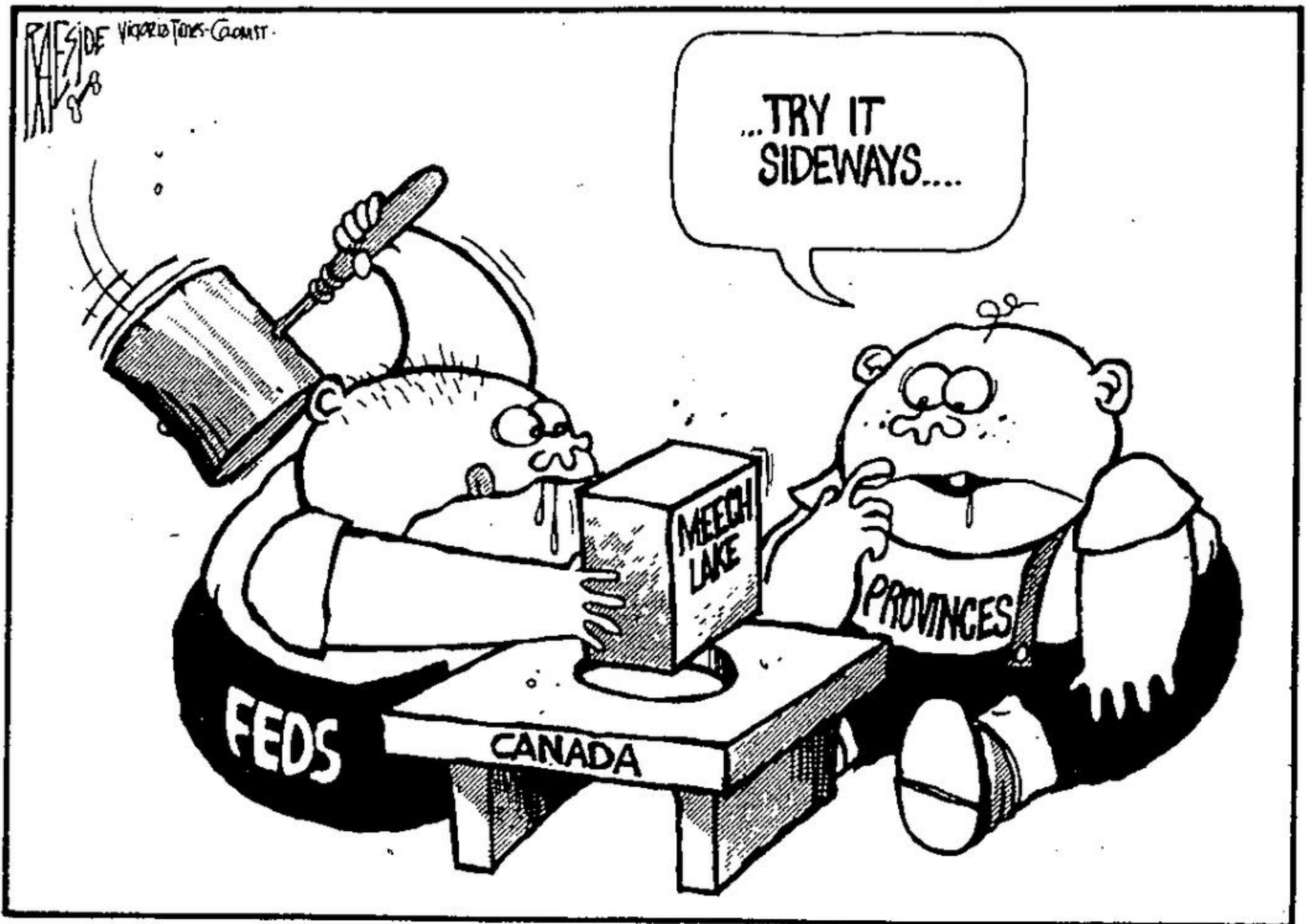
reduce the size of the civil service, which has grown by 9,000 bodies under the Liberals, he even has some leeway in terms of spending.

Item: a combined provincial-federal GST. Harris argues that instead of eight per cent provincial tax levied on some items and not others, and a seven per cent federal tax that does the same, a combined seven per cent tax, 3.5 per cent each, levied on everything (including groceries, which is the source of Peterson's comment) would be in the same revenue.

Why is a meal under \$4 exempt from tax but one over that amount taxable, Harris asks?

Item: scrap private sector pay equity laws. Theoretically designed to help women in low-paying pink ghetto jobs, Harris notes that it is the one group excluded from the existing law. Instead, it deeply and expensively involved government setting of private-sector wage rates, a sheer recipe for long-term economic disaster and why no other North American jurisdiction (including the former NDP governments in this country) ever implemented such a law.

Item: medical user fees. What Harris calls "some kind of co-payment system for those who can afford to pay" would have a two-fold effect. It would return some accountability to a system people treat as "free," and it would add a little cash to a system that does require more money.



GST by any other name...

Vic Parsons
Ottawa Bureau
Thomson News Service



OTTAWA - Budget willies in the U.S., we Canucks will have front-row seats and be able to nod knowingly as familiar arguments are thrashed out in Congress.

It's interesting to a Canadian watching the current GST imbroglio that the U.S. considered a similar tax in the mid-1980s. The administration of then-president Ronald Reagan spurned the idea for reasons that would trip easily from the lips of Canadian Liberals and New Democrats.

A VAT, the Reaganites complained, would be regressive - hitting the poor harder than the rich. There would be a risk of inflation. And the sudden inflow of revenues to government would spawn growth in the bureaucracy and rash spending. These ideas ring bells with Canadians.

At any rate, the idea was dumped. So, when Finance Minister Michael Wilson says 48 other countries now have taxes like our GST, he's not including the U.S., the trade partner accounting for about 70 per cent of our foreign business.

Lately, however, President George Bush and Co. have seen U.S. deficit projections grow at an unsettling rate. And one Republican senator, Alan Simpson of Wyoming, has tabbed a VAT as a possible revenue source to help trim mammoth cash shortfalls.

PROS AND CONS

Meanwhile, the U.S. General Accounting Office has kept on top of the issue. Last September, it produced a briefing paper for Congress's joint committee on taxation outlining pros and cons of a federal sales tax.

The GAO study says a VAT has "tremendous potential for raising tax revenues." An all-inclusive, five-per-cent national tax could bring \$125 billion (U.S.) into Washington's coffers in 1992. If

food, housing and medical care were exempted, it would still net \$72 billion.

The study notes many countries introduced their tax on a "revenue neutral" basis, "later transforming it through rate or base increases to produce additional revenue." That's an intriguing echo of one of the criticisms made of our GST.

Let's look at a few other items covered in the GAO report.

First is the idea a sales tax hurts the poor more than the rich. The GAO paper accepts this, but suggests the harm can be offset. Exemptions or lower tax rates for necessities, tax credits for low-income people and increased transfer payments are possibilities.

Canada is using exemptions and refundable tax credit, ostensibly to reduce the impact on the poor. But critics note the first three per cent of the inflation each will be eroded from the credits, meaning over time low-income earners will lose ground.

Second, the "money machine" argument: In Europe, the GAO says, revenue shortfalls have been covered by VAT hikes. "This could create a temptation to increase public expenditures," the GAO adds. Similar complaints are made by GST critics here.